Post Office Box 9010 Addison, Texas 75001-9010
5300 Belt Line Road
(972) 450-7000 Fax: (972) 450-7043

AGENDA

SPECIAL MEETING AND WORK SESSION OF THE CITY COUNCIL

5:00 PM

MAY 6, 2013

ADDISON TOWN HALL, 5300 BELT LINE, DALLAS, TX 75254

Item #WS1 - Presentation and discussion regarding the Town's rebranding process.

Attachment(s):

1. Branding Presentation and Survey Results

Item #WS2 - Presentation, discussion, and consideration of approval of a proposed budget for the Town of Addison 60th Anniversary celebration.

Item #ES1 - Closed (executive) session of the City Council, pursuant to Section 551.087, Texas Government Code, to discuss or deliberate regarding commercial or financial information that the City Council has received from a business prospect or business prospects that the City Council seeks to have locate, stay, or expand in or near the territory of the Town of Addison and with which the City Council is conducting economic development negotiations, and/or to deliberate the offer of a financial or other incentive to such business prospect or business prospects.

Adjourn Meeting

Posted:
Chris Terry, 05/03/13, 5:00pm

THE TOWN OF ADDISON IS ACCESSIBLE TO PERSONS WITH DISABILITIES. PLEASE CALL (972) 450-2819 AT LEAST 48 HOURS IN ADVANCE IF YOU NEED ASSISTANCE.

Council Agenda Item: #WS1

AGENDA CAPTION:

Presentation and discussion regarding the Town's rebranding process.

FINANCIAL IMPACT:

Council approved funding in the amount of $60,000 for the Rebranding Study in the Fiscal Year 2012-2013 budget year.

BACKGROUND:

Vivanti Group has completed the competitive landscape and analysis, demographics and market research, and we will be discussing the finidng as well as the other process they have completed.

RECOMMENDATION:

N/A

COUNCIL GOALS:

Create raving fans of the Addison Experience, Maintain and enhance our unique culture of creativity and innovation, Attract new businesses to Addison, Brand Protection and Enhancement, Continue to attract, hire, develop, and retain great employees, Fully integrate the Arts as part of our brand, Enhance sense of community for all stakeholders/Expand Volunteer Opportunities

ATTACHMENTS:

Description:	Type:
Branding Presentation and Survey Results	Presentation

Department of Communications & Marketing
Town of Addison, Texas
May 6, 2013
ReBranding Project Council Update

Honorable Mayor and City Council,

The Vivanti Group and Matchbox Studio team will present an overview of their Rebranding Study deliverables to date on Monday, May 6. Attached you will find a copy of their presentation for Monday as well as a copy of our "Addison Way" survey results. We will cover the methodology and branding process, recapping our interviews and survey findings, and presenting the Brand Positioning Statement.

A branding project is a significant undertaking for any organization and we have been very pleased to work with the Vivanti/Matchbox team. Just to recap where we have been, our Rebranding project began in December the Discovery Phase, and just recently wrapped up our Insight Phase.

Discovery

- The Discovery part of a branding process is all about research—gathering information about the profile, awareness, attitudes and perceptions of the target audiences.
  - Conduct in-person and by phone interviews with cross –sampling of Council Members, community leaders, business owners, residents, TOA employees and other key constituencies to gain insight and perceptions
  - Conduct an awareness survey to TOA target audiences (residents, employees, businesses, visitors, etc.)

Insight

- Initial market and survey research, competitive analysis and discovery findings
  - Brand personality
  - Competitive landscape
  - Target audiences
  - Positioning Statements

We look forward to sharing and discussing the research findings, interview insights, and our competitive analysis and positioning statements with you Monday.

Respectfully,
Carrie Rice
Director of Communications and Marketing

Town of Addison

REBRANDING PROJECT
Summary of Research Findings
& Brand Direction
May 2013

Agenda

- Methodology
- Interview Findings
- Demographics / Psychographics
- Survey
- Competitive Analysis
- Summary
- Brand Positioning Recommendations

METHODOLOGY

Branding Process

Research
- Competition
- Interviews – in person and telephone
- Demographic analysis
- Online survey

Insight
- Brand-storming
- Analyze / synthesize
- Personality
- Position

Creative
- Tagline
- Logo
- Brand creative direction

Research Methodology

- Vivanti Group completed the following steps to prepare this summary of research findings:
  - Brand audit: Review of all previously completed reports, data and market research studies related to town businesses, residents and visitors.
  - Identify assets / brand touch points: Detailed list of Addison events, shopping, restaurants, entertainment venues, cultural attractions, recreation, housing, business space, etc.
  - Analyze demographics and psychographics: Gather a cohesive view of Addison businesses, employees, residents and visitors.
  - Competitive environment: Look at up to six other communities to see how Addison stacks up to other selected communities.
  - Research:
    - Conduct up to 35 in-person or telephone interviews with community leaders, council members, business owners and other key constituencies to gain insight into the perceptions of these individuals about the Town of Addison.
    - Prepare, distribute, collect, tabulate and report an attitudes and awareness survey to the Town of Addison target audience (residents, employees and visitors.) (Requires approximately 400 completed surveys for a 5% margin of error.)

INTERVIEW FINDINGS

Purpose of Interviews

- Conducted interviews in December 2012 through February 2013 with the city manager, deputy city manager, assistant city manager, mayor, six (6) city council members and 29 external stakeholders identified by Town of Addison leaders.
- The purpose of these 30-minute interviews was to gain an understanding of opinions about Town of Addison culture, vision, differentiators, strengths and areas for improvement.

Mayor, City Managers and City Council Members Interviewed

- Todd Meier, Mayor
- Ron Whitehead, City Manager
- Lea Dunn, Deputy City Manager
- Chris Terry, Assistant City Manager
- Blake Clemens, Mayor Pro Tem
- Margie Gunther, Council Member
- Bruce Arfsten, Council Member
- Neil Resnik, Council Member
- Janelle Moore, Council Member
- Chris DeFrancisco, Council Member

Stakeholders Interviewed

- Nan Arnold, Former Director of Parks and Recreation
- Henry Bradbury, Resident
- Tom Braun, Former Council Member
- Richard Chamberlain, Restaurant Owner
- Anne Crews, VP Mary Kay Cosmetics
- Ben Cunningham, President Liberty Capital Bank
- Don Daseke, Former Council Member
- Jim Duffy, Former Council Member
- Barbara Fischer, Brought in Methodist Hospital deal
- Edwin Flores, Patent Attorney
- Scott Griggs, Greenhill School
- Stacey Griggs, Post Properties
- Michele Hilgart, Former City Manager Secretary
- John Hill, City Attorney
- Jeanne Hooker, Lone Star Gas
- Tom Hunse, Resident
- Doug Jeanes, Director of Cavanaugh Flight Museum
- JJ Leonard, Commercial Real Estate Broker
- David Margulies, Crises Communication Consultant
- James Molina, Resident
- Jimmy Niemann, Former Council Member
- Randy Newsom, Local Oncor
- Raphael Parry, Shakespeare Dallas
- Randy Pennington, Training Consultant
- Greg Pynes, Former Conference Center Director
- Glynda Turner, Former Council Member
- Virginia Wallace, HOA
- Rollie Waters, HR Consultant
- Jeff White, Former Rotary President

Top Adjectives

Mayor/Council

- Vibrant
- Fun
- Family Friendly (Safe) Environment

Stakeholders

- Fun
- Quality
- Innovative
- Friendly
- Progressive
- Exciting
- Unique
- Clean

Addison Way

Mayor/Council

- Consistently the council believes the Addison Way is about great, efficient customer service while remaining professional.

"It's service beyond expectations."

"It's a way of delivering superior service in a kind and very professional and intimate way."

"Responsive service."

"A place of yes and accommodation and kindness."

What Attracts Groups to Addison

Mayor/Council

- Location
- Friendly and clean atmosphere
- Restaurants
- Businesses located in Addison

Stakeholders

- Restaurants
- Location
- Businesses located in Addison

Key Differentiators

Mayor/Council

- Small town feel with big city opportunities
- Location
- Restaurants
- Addison Airport

Stakeholders

- Number of restaurants
- Competent city staff
- Unique landscaping / town maintenance / cleanliness
- Safety – more police and fire per capita – quick response

How Addison has Changed

Mayor/Council

- Positive
  - Expanded tremendously
  - More progressive redevelopment
  - Beginning to celebrate our uniqueness

"We have some major redeveloping going on."

- Negative
  - Aging
  - Lack of a modern feel
  - On its way to being outdated

"You are going to be like Carrollton or Farmer's Branch if you don't watch yourself." (indicating that CFB is outdated and Addison is on its way to being outdated.)

Stakeholders

- Positive
  - Grown in population and scope
  - Continually transforming particularly from a new development standpoint

"There are more people that are unable or unwilling to speak English."

- Negative
  - Becoming more dangerous
  - Becoming less unique
  - There are more chain restaurants than there used to be

"Addison used to be an out in the sticks suburb, it has really transformed in an incredible way. It has transformed into an urban community."

Areas of Improvement

Mayor/Council

- Put forth a consistent brand image
- Fill the office space
- Make Belt Line more pedestrian friendly

"Addison needs to remain engaged in what makes a modern space to be. Addison needs to cultivate its unique offerings and make the differences obvious to the public. "

"Addison has much to offer a visitor, resident or business employee but the awareness is limited."

"We need to cultivate our unique offerings and make the differences obvious to the public."

Stakeholders

- Need a full time tourist draw
- Too much traffic
- Lack of retail
- Lack of rapid transit / DART
- Lack of library
- Lack of single family living

"Traffic is really challenging, in particular, during certain times of the year. A lot of our guests come from the North when they exit the Tollway coming south at Belt Line those lights really back up. We have people say they were going to come up to Addison but they didn't want to deal with the traffic."

"Small town as far as residents they have an open channel. The Town's government officials listen to their residents too much. Overreact to the complaints from their residents without a base. They need to find out the story. Too closely bound to the desires of the residents."

Brand Awareness

Mayor/Council

- Accurately describe the logo and the town colors
- Not all do so confidently
- All desire to improve the brand image
- Need to establish key differentiators to increase brand awareness is mentioned consistently.
- It is also suggested to promote the airport more.

Stakeholders

- Logo
  - Script Addison= 49%
  - Don’t know = 24%
  - Town Hall building = 15%
  - There are a few = 12%
- Brand Colors
  - Blue = 61%
  - Don’t know = 14%
  - Blue and white = 11%
  - Red and white = 4%
  - Red, white and blue = 4%
  - Brown and white = 4%
  - Blue and red = 4%

Vision

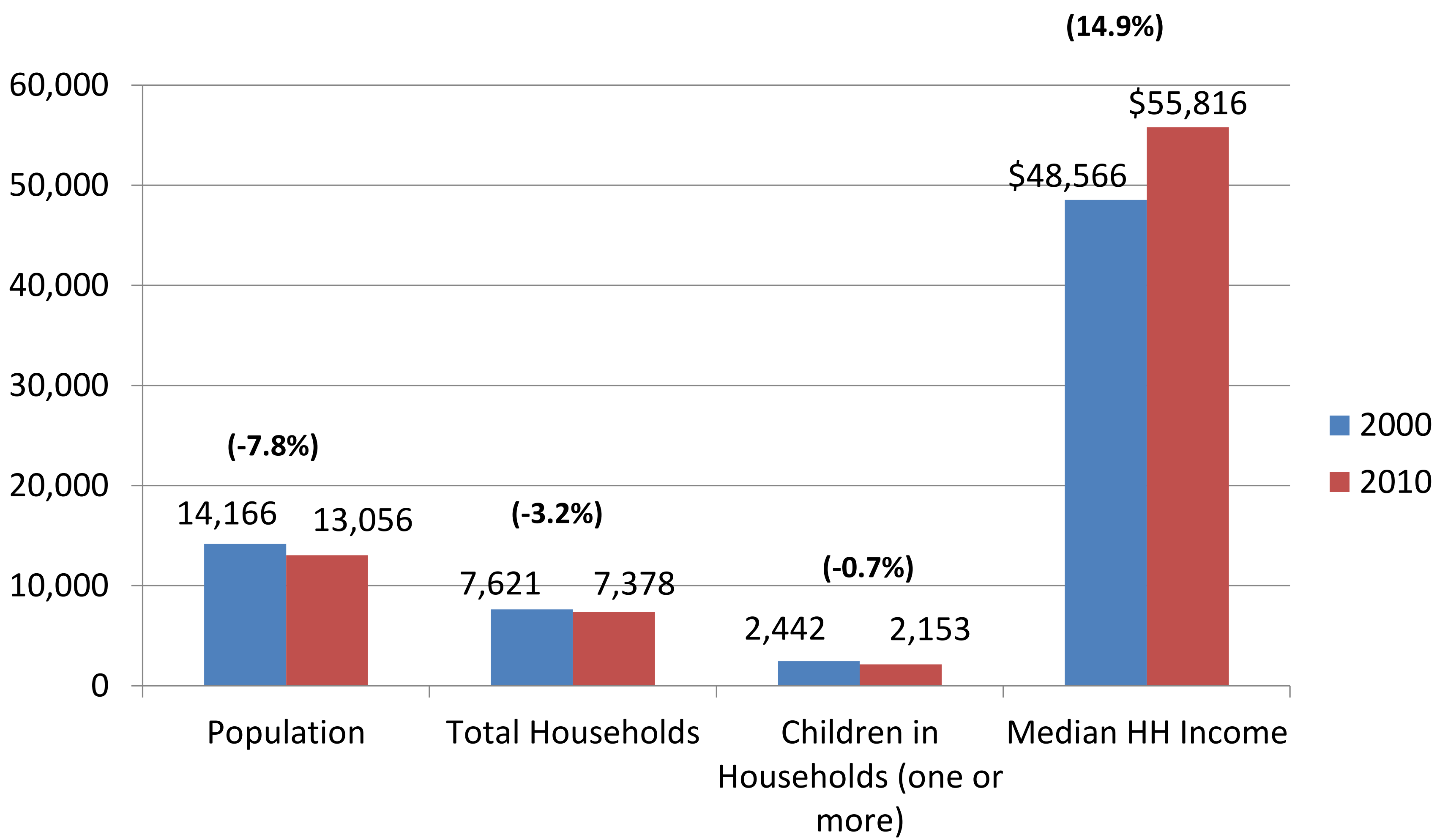
Mayor/Council

- This group wants to make sure people who drive through Addison actually know they are driving through Addison.
- Not many council members could define a clear vision for the future of Addison.
- All want to improve brand awareness.

"I hope with rebranding we can present ourselves better."

DEMOGRAPHICS & PSYCHOGRAPHICS

Key Demographic Trends



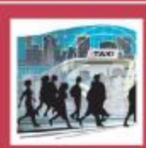
Psychographics

- Claritas PRIZM Segments
  - PRIZM classifies every U.S. household into one of 66 consumer segments based on:
    - Where they live
    - How old they are
    - Leisure time preferences
      - Favorite magazines and TV shows
      - Shopping and eating preferences

PRIZM Segments by Location

HIGH — $ — LOW

URBAN



U1 URBAN UPTOWN
- 04 Young Digerati
- 07 Money & Brains
- 16 Bohemian Mix
- 26 The Cosmopolitans
- 29 American Dreams

U2 MIDTOWN MIX
- 31 Urban Achievers
- 40 Close-In Couples
- 54 Multi-Culti Mosaic

U3 URBAN CORES
- 59 Urban Elders
- 61 City Roots
- 65 Big City Blues
- 66 Low-Rise Living

SUBURBAN

S1 ELITE SUBURBS
- 01 Upper Crust
- 02 Blue Blood Estates
- 03 Movers & Shakers
- 06 Winner's Circle

S2 THE AFFLUENTIALS
- 08 Executive Suites
- 14 New Empty Nests
- 15 Pools & Patios
- 17 Beltway Boomers
- 18 Kids & Cul-de-Sacs
- 19 Home Sweet Home

S3 MIDDLEBURBS
- 21 Gray Power
- 22 Young Influentials
- 30 Suburban Sprawl
- 36 Blue-Chip Blues
- 39 Domestic Duos

S4 INNER SUBURBS
- 44 New Beginnings
- 46 Old Glories
- 49 American Classics
- 52 Suburban Pioneers

SECOND CITY

C1 SECOND CITY SOCIETY
- 10 Second City Elite
- 12 Brite Lites, Li'l City
- 13 Upward Bound

C2 CITY CENTERS
- 24 Up-and-Comers
- 27 Middleburg Managers
- 34 White Picket Fences
- 35 Boomtown Singles
- 41 Sunset City Blues

C3 MICRO-CITY BLUES
- 47 City Startups
- 53 Mobility Blues
- 60 Park Bench Seniors
- 62 Hometown Retired
- 63 Family Thrifts

TOWN AND COUNTRY

T1 LANDED GENTRY
- 05 Country Squires
- 09 Big Fish, Small Pond
- 11 God's Country
- 20 Fast-Track Families
- 25 Country Casuals

T2 COUNTRY COMFORT
- 23 Greenbelt Sports
- 28 Traditional Times
- 32 New Homesteaders
- 33 Big Sky Families
- 37 Mayberry-ville

T3 MIDDLE AMERICA
- 38 Simple Pleasures
- 42 Red, White & Blues
- 43 Heartlanders
- 45 Blue Highways
- 50 Kid Country, USA
- 51 Shotguns & Pickups

T4 RUSTIC LIVING
- 48 Young & Rustic
- 55 Golden Ponds
- 56 Crossroads Villagers
- 57 Old Milltowns
- 58 Back Country Folks
- 64 Bedrock America

PRIZM Segments by Location

HIGH

$

LOW

YOUNGER YEARS

Y1 MIDLIFE SUCCESS
03 Movers & Shakers
08 Executive Suites
11 God's Country
12 Brite Lites, Li'l City
19 Home Sweet Home
25 Country Casuals
30 Suburban Sprawl
37 Mayberry-ville

Y2 YOUNG ACHIEVERS
04 Young Digerati
16 Bohemian Mix
22 Young Influentials
23 Greenbelt Sports
24 Up-and-Comers
31 Urban Achievers
35 Boomtown Singles

Y3 STRIVING SINGLES
42 Red, White & Blues
44 New Beginnings
45 Blue Highways
47 City Startups
48 Young & Rustic
53 Mobility Blues
56 Crossroads Villagers

FAMILY LIFE

F1 ACCUMULATED WEALTH
02 Blue Blood Estates
05 Country Squires
06 Winner's Circle

F2 YOUNG ACCUMULATORS
13 Upward Bound
17 Beltway Boomers
18 Kids & Cul-de-Sacs
20 Fast-Track Families
29 American Dreams

F3 MAINSTREAM FAMILIES
32 New Homesteaders
33 Big Sky Families
34 White Picket Fences
36 Blue-Chip Blues
50 Kid Country, USA
51 Shotguns & Pickups
52 Suburban Pioneers
54 Multi-Culti Mosaic

F4 SUSTAINING FAMILIES
63 Family Thrifts
64 Bedrock America
65 Big City Blues
66 Low-Rise Living

MATURE YEARS

M1 AFFLUENT EMPTY NESTS
01 Upper Crust
07 Money & Brains
09 Big Fish, Small Pond
10 Second City Elite

M2 CONSERVATIVE CLASSICS
14 New Empty Nests
15 Pools & Patios
21 Gray Power
26 The Cosmopolitans
27 Middleburg Managers
28 Traditional Times

M3 CAUTIOUS COUPLES
38 Simple Pleasures
39 Domestic Duos
40 Close-In Couples
41 Sunset City Blues
43 Heartlanders
46 Old Glories
49 American Classics

M4 SUSTAINING SENIORS
55 Golden Ponds
57 Old Milltowns
58 Back Country Folks
59 Urban Elders
60 Park Bench Seniors
61 City Roots
62 Hometown Retired

Top Addison PRIZM Segments

Brites, Li'L City - 9.35%

Boomtown Singles - 7.5%

Up and Comers - 10.96%

Executive Suites - 5.2%

Middleburg Managers - 5.08%

ONLINE SURVEY

Survey

An online survey of target audiences was completed by Van Saxon and Associates.

PURPOSE:

- Understand present status of the Addison brand
- Help the creative team clarify and communicate its key points of differentiation to target audiences

OBJECTIVES:

- Understand present position of and level of knowledge about the Town of Addison among target audiences
- Obtain perceptions, reasons for decisions to live, work, dine, shop, visit and play in Addison
- Measure Addison's execution on key performance elements
- Define key differentiators to use in developing a stronger brand position moving forward

Survey

TARGET AUDIENCES:

- Residents – those who live in Addison
- Executives – those who conduct business in Addison (business owners, senior executives, general managers of major chains)
- Employees – those who work in Addison
- Visitors – those who do or have visited, dined, shopped and/or played in Addison broken out by those who live in DFW and those who live outside of DFW

SURVEY TOPICS:

- Respondents' competitive preferences and usage behavior (cities, towns, retail, restaurant and entertainment districts)
- Respondents' levels of intent to recommend Addison as a place to live and a place to visit
- The hurdles and challenges which must be overcome or addressed to improve satisfaction and intent to return/revisit and recommend levels
- The demographic changes in the Town of Addison and the Addison Primary Trading Area from the 2000 to the 2010 U.S. Census and 2012 updates and the potential resulting impact on Addison's future

FINDINGS:

- Analysis of questions specific to each target group
- Analysis of questions to all participants

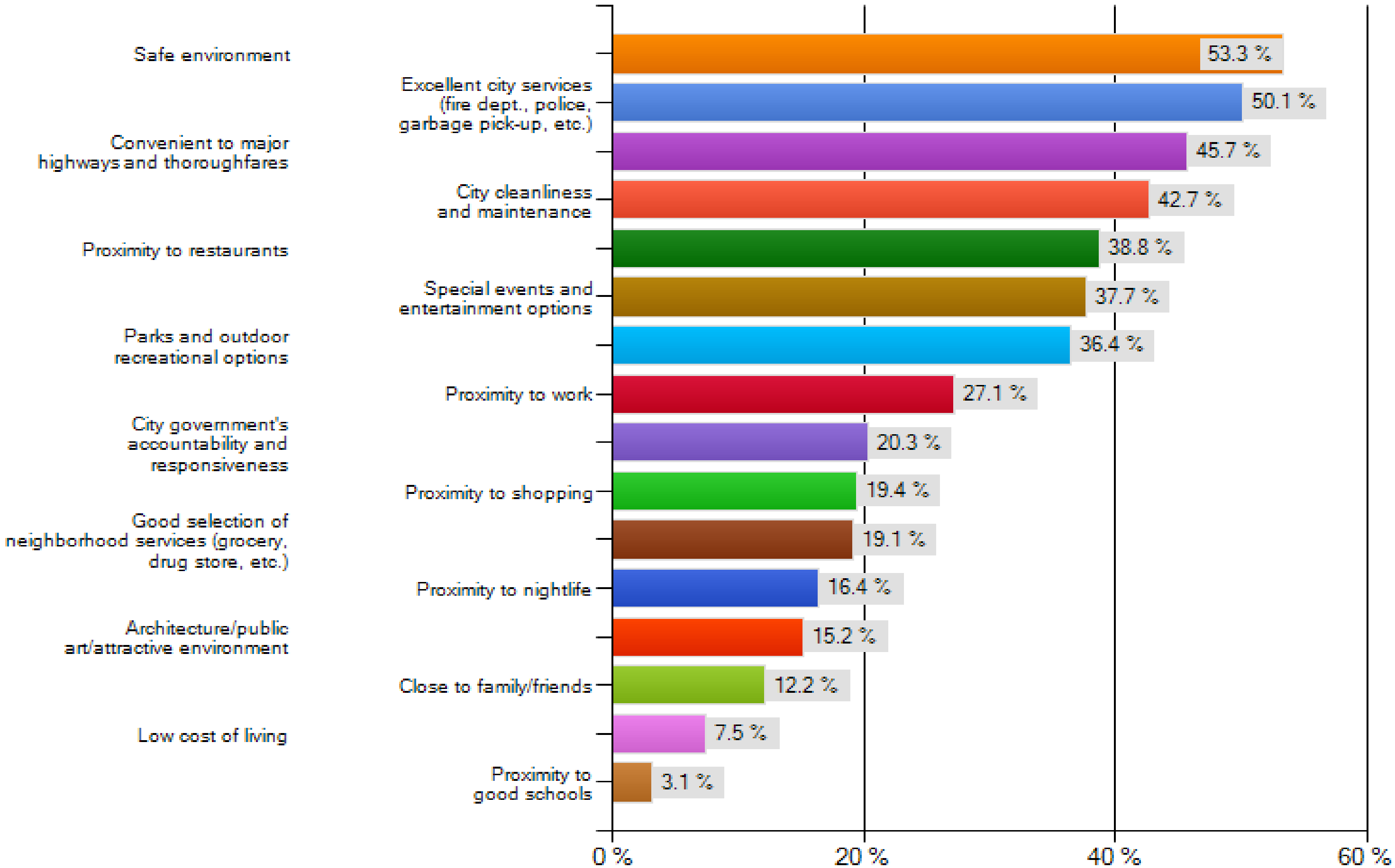
Survey Participants

- Resident respondents = 1,172
- Visitors from DFW respondents = 2,059
- Employee respondents = 730
- Executive respondents = 199
- Non-DFW visitors living outside of the Metroplex = 207

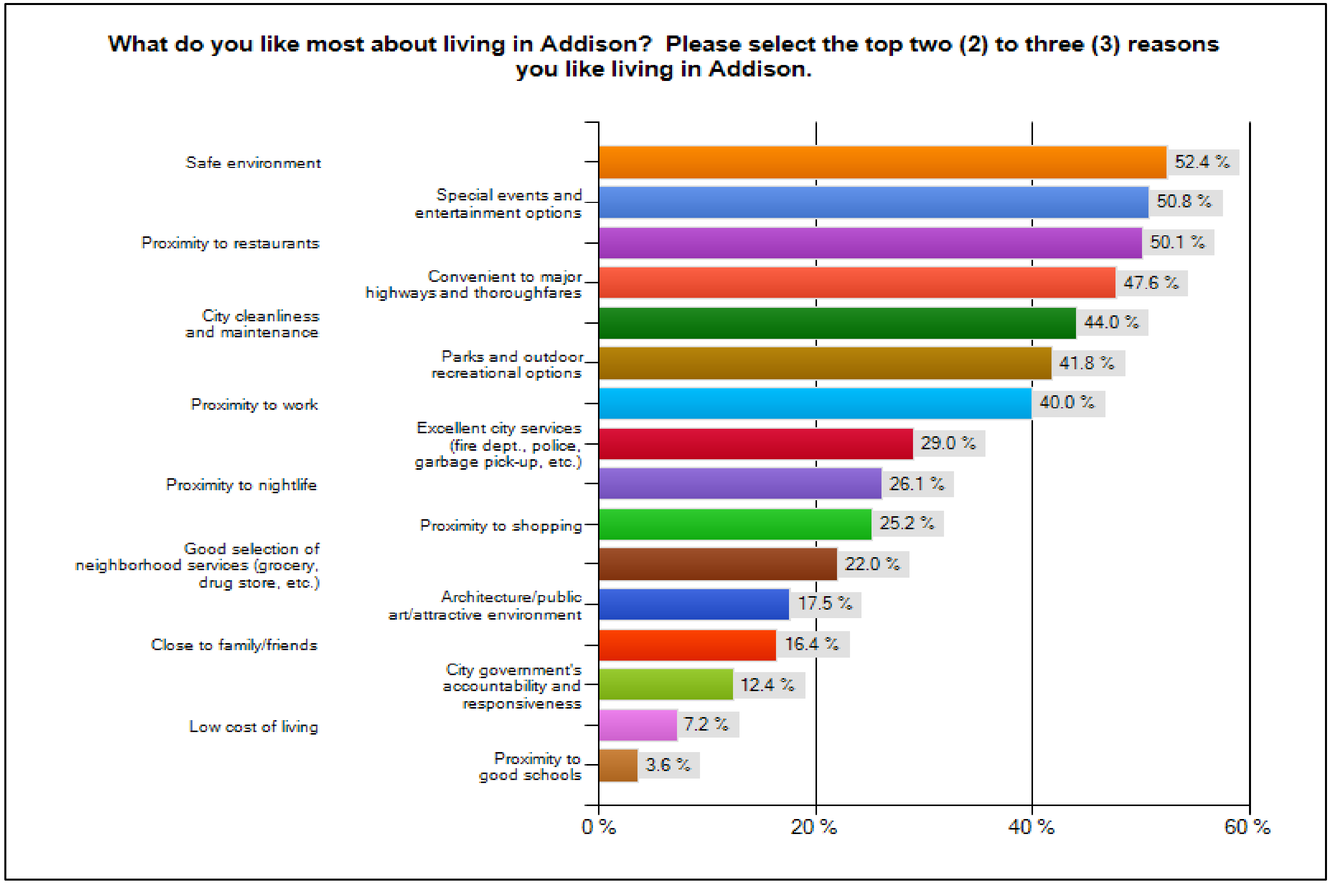
Addison Primary Trading Area

Likes About Living in Addison

What do you like most about living in Addison? Please select the top two (2) to three (3) reasons you like living in Addison.



Renter Likes



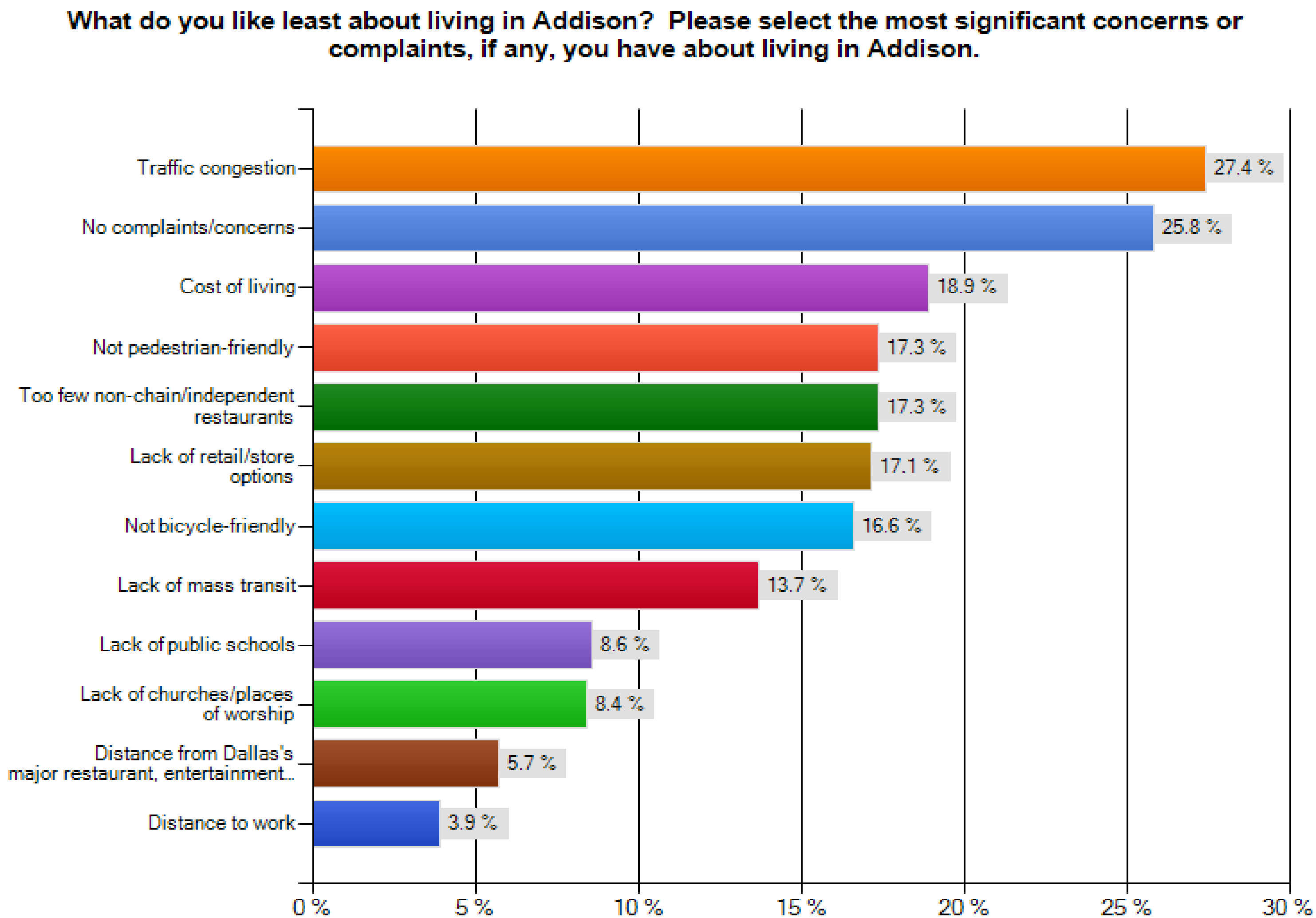
Overall

Safety 53.3%
Excellent city services 50.1%
Convenient to highways and thoroughfares 45.7%
City cleanliness / maintenance 42.7%

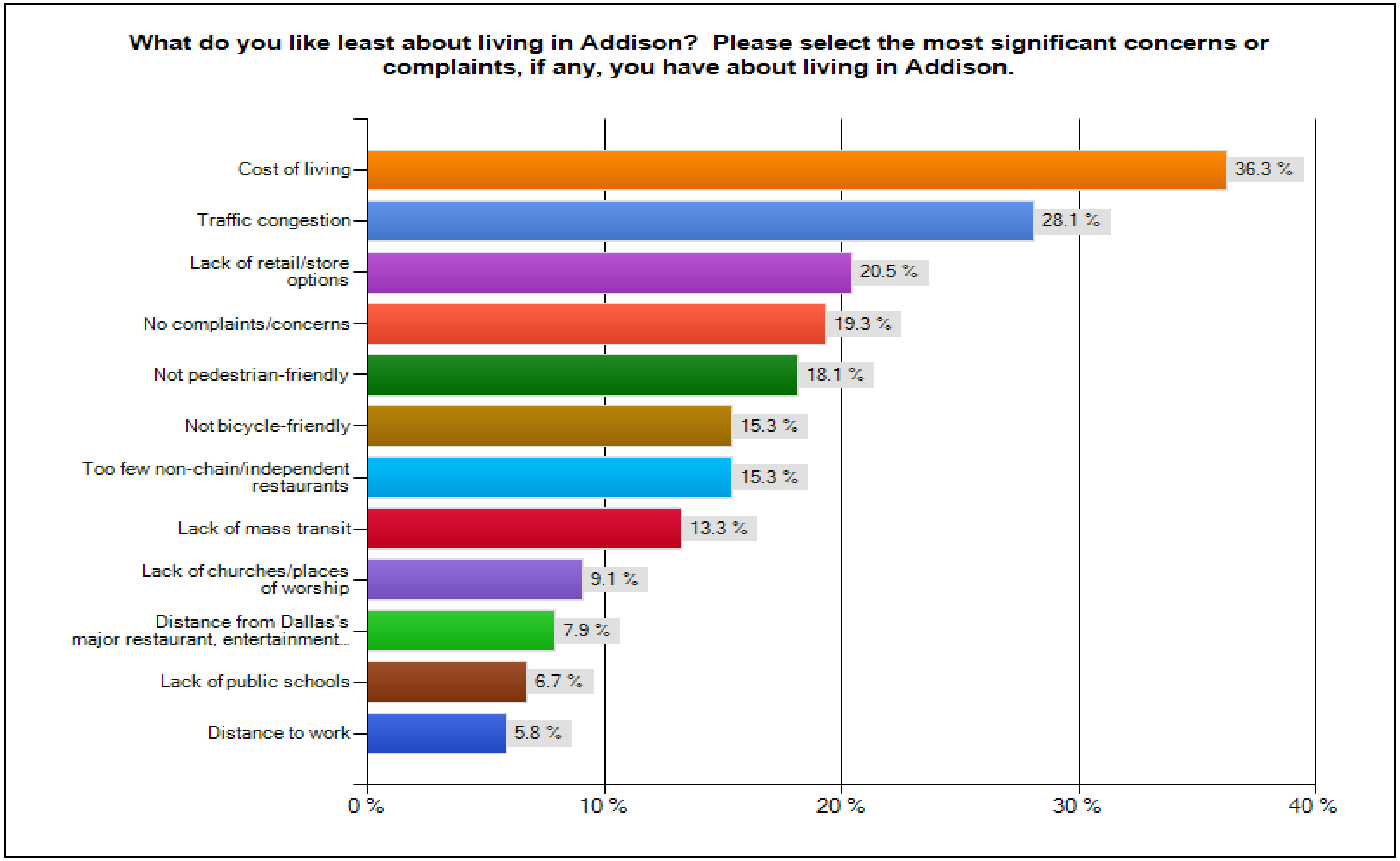
Renters only

Safety 52.4%
Special events / entertainment 50.8%
Proximity to restaurants 50.1%
Convenience 47.6%

Dislikes About Living in Addison



Renter Dislikes



Overall

Traffic 27.4%

No complaints 25.8%

Cost of living 18.9%

Renters only

Cost of living 36.3%

Traffic 28.1%

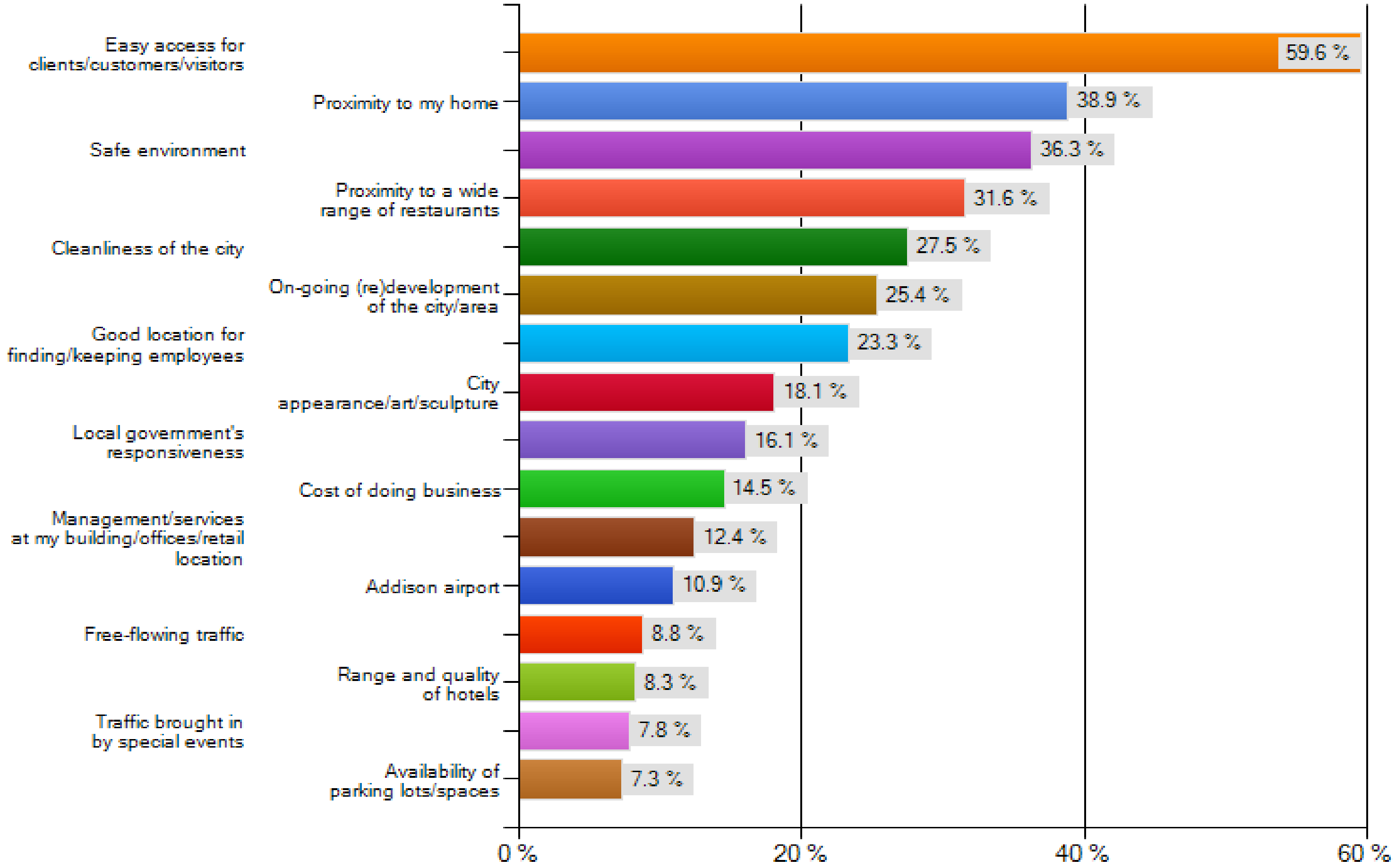
Lack of retail/shopping 20.5%

Addison Compared to Other Areas

- Top Rated Areas
  - Overall & Renters
    - Special events
    - Cleanliness
    - Restaurant selection
    - Safety
  - Renters had lower score for personal safety than non-renters
- Poor Performing Areas
  - Overall & Renters
    - Cost of living
    - Retail
    - Places of worship

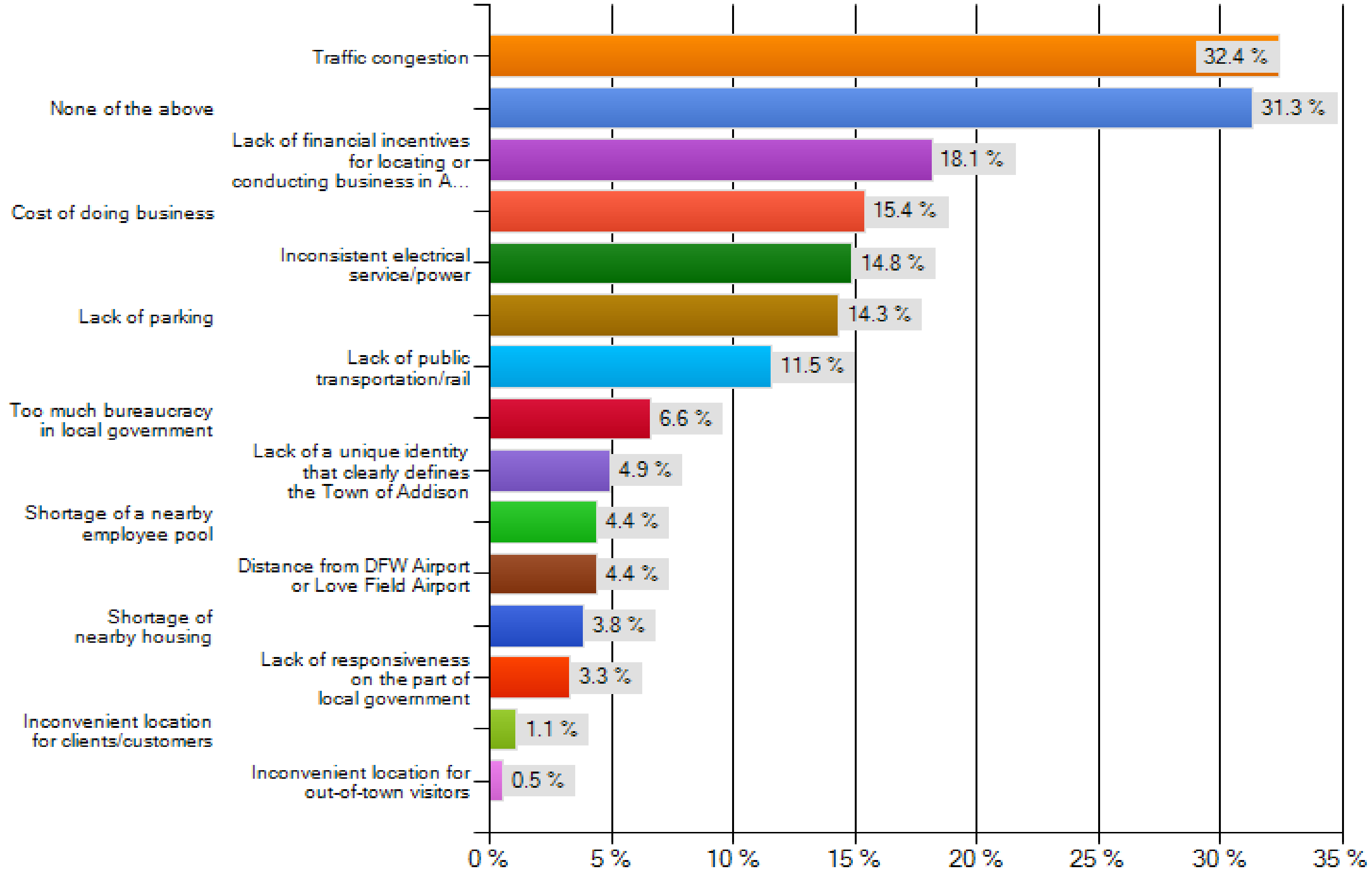
Business Owners

What are the two (2) or three (3) most important reasons why you like having your business/office located in Addison? Please select only the two or three most important.

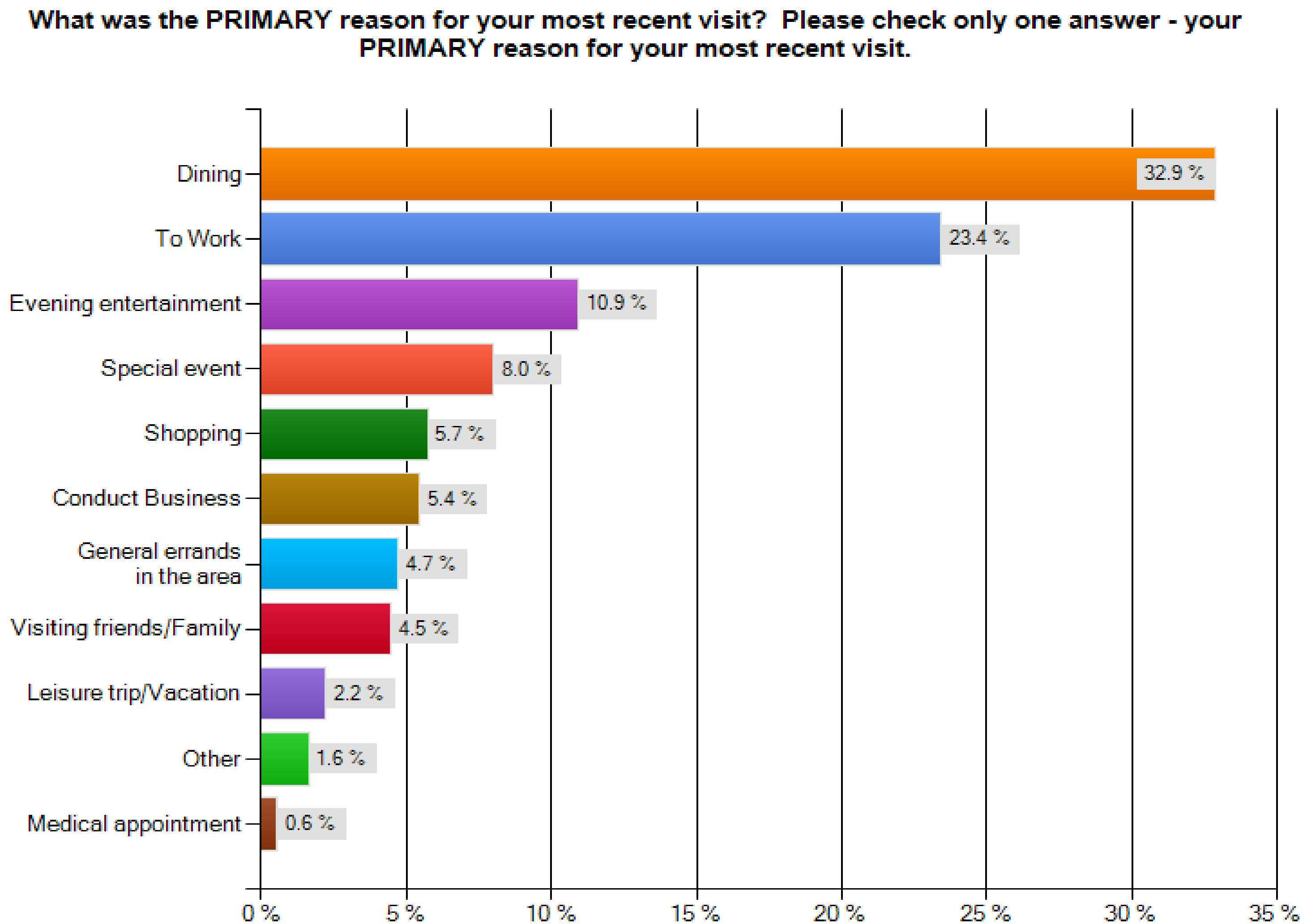


Business Owners

What problems or challenges, if any, do you face as a business owner or executive of a company located in Addison? Mark all that you believe to be problems or challenges.



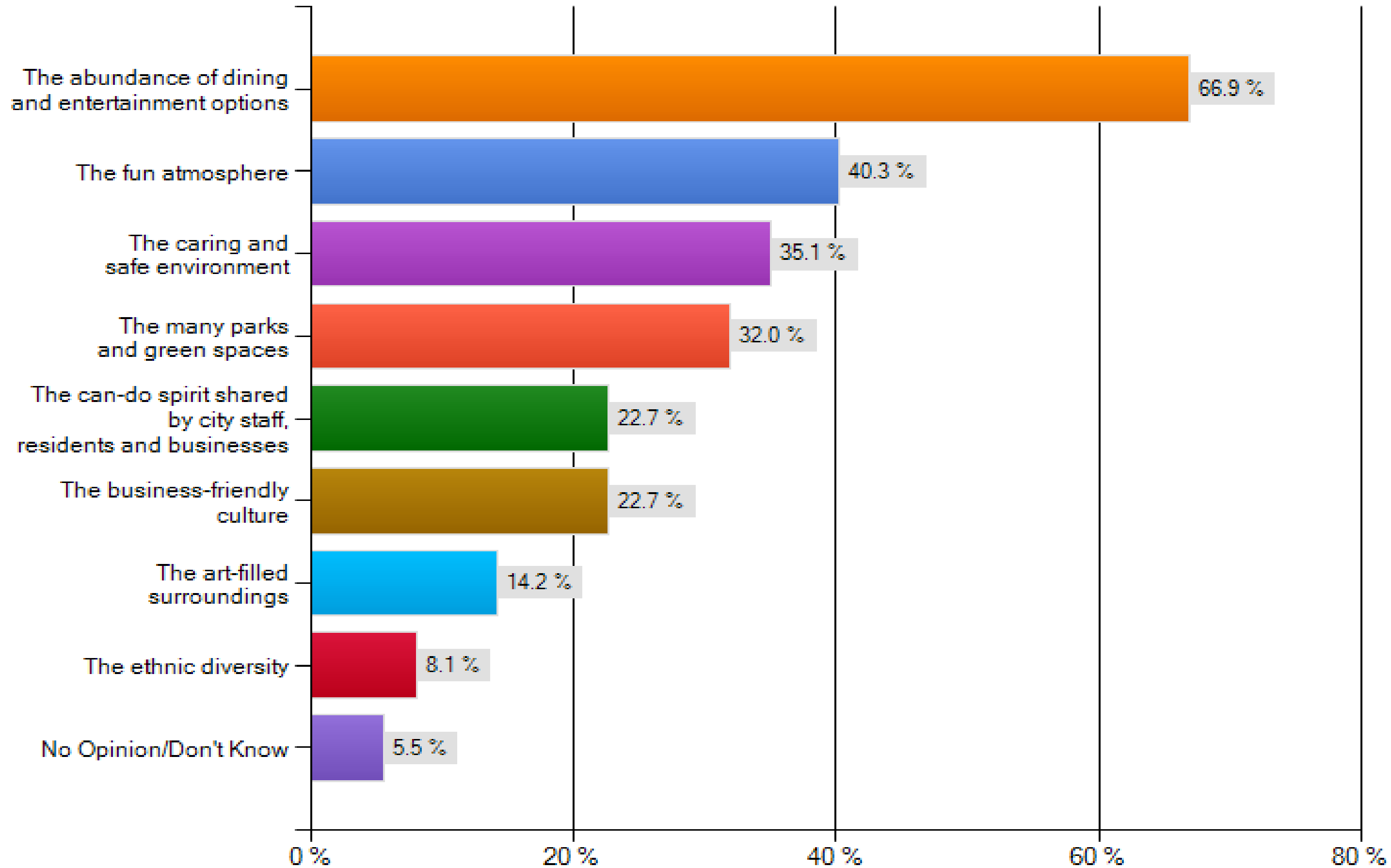
Visitors



What was the PRIMARY reason for your most recent visit? Please check only one answer - your PRIMARY reason for your most recent visit.
Dining
32.9 %
To Work
23.4 %
Evening entertainment
10.9 %
Special event
8.0 %
Shopping
5.7 %
Conduct Business
5.4 %
General errands in the area
4.7 %
Visiting friends/Family
4.5 %
Leisure trip/Vacation
2.2 %
Other
1.6 %
Medical appointment
0.6 %
0 %
5 %
10 %
15 %
20 %
25 %
30 %
35 %

Points of Difference

Which of the following attributes or characteristics do you think make(s) Addison unique or special versus other cities and areas? Mark the (1) or (2) characteristics that you believe make Addison unique from your perspective as a resident, a business executive, a visitor or an employee working in Addison.



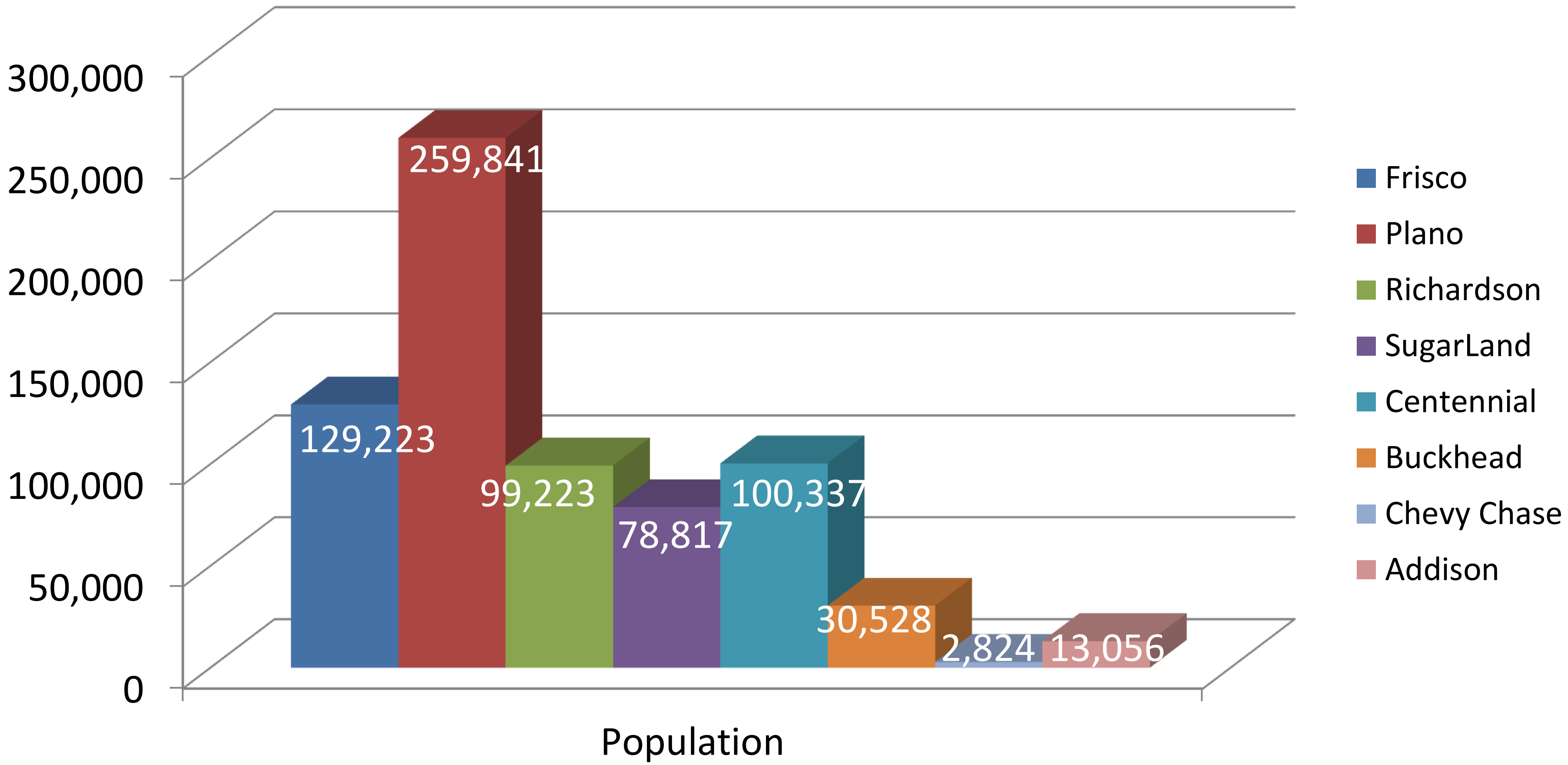
COMPETITIVE ANALYSIS

Competitors

- Frisco
- Plano
- Richardson
- Sugar Land
- Centennial
- Buckhead
- Chevy Chase

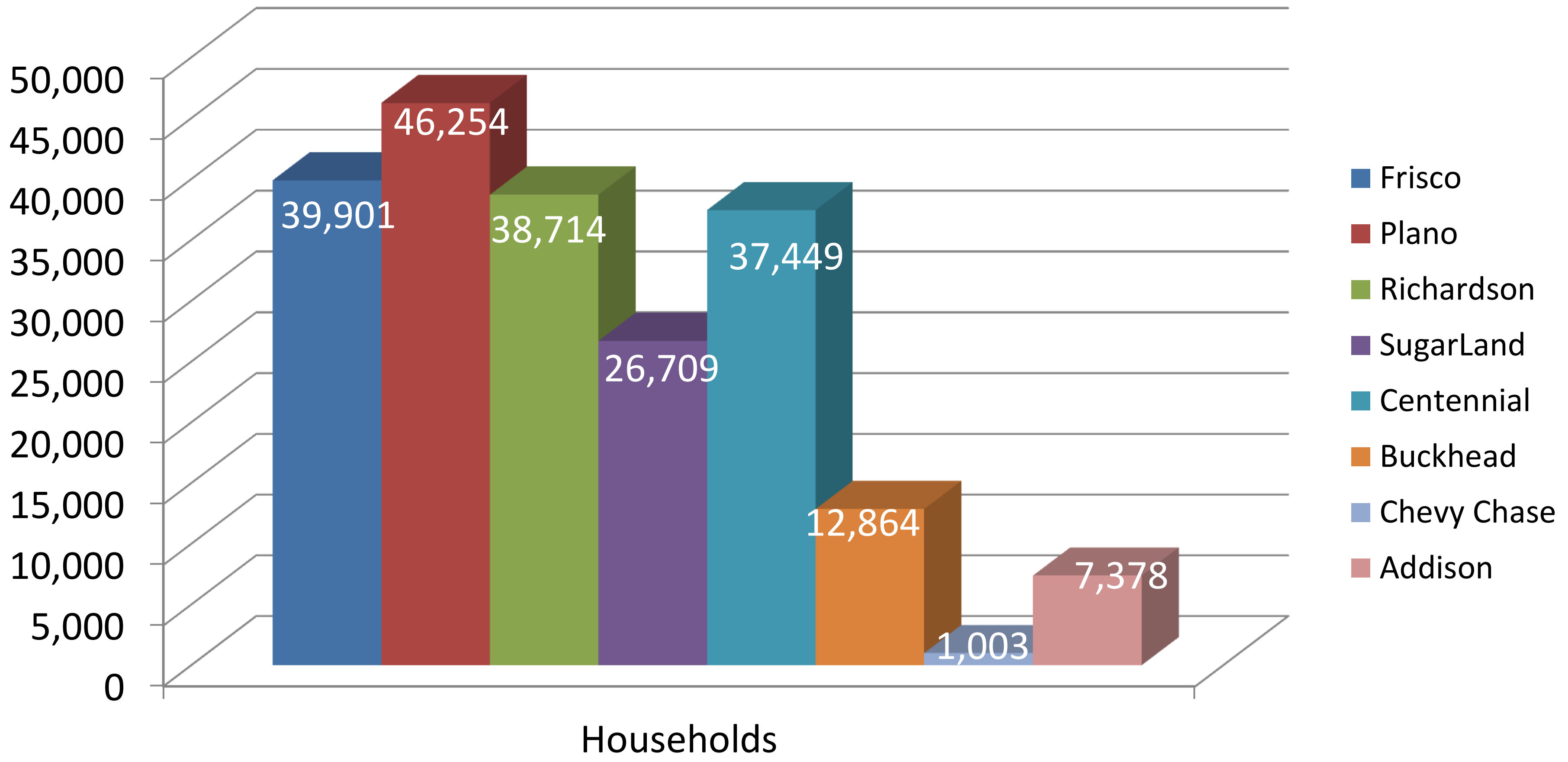
Population Comparison

Only Chevy Chase has a smaller population than Addison among the cities analyzed.



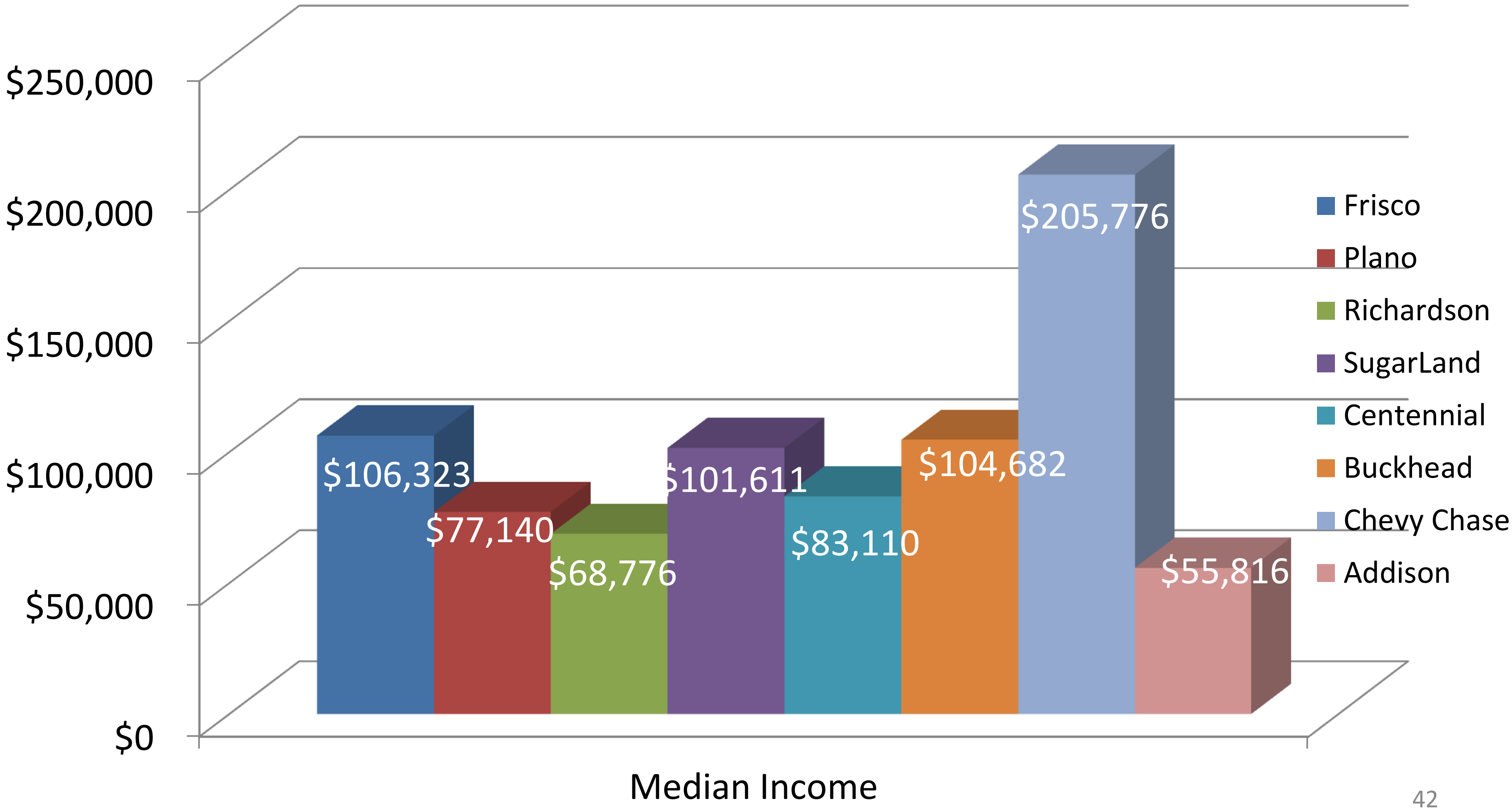
Household Comparison

Addison has more 1 and 2 person households than other cities evaluated.



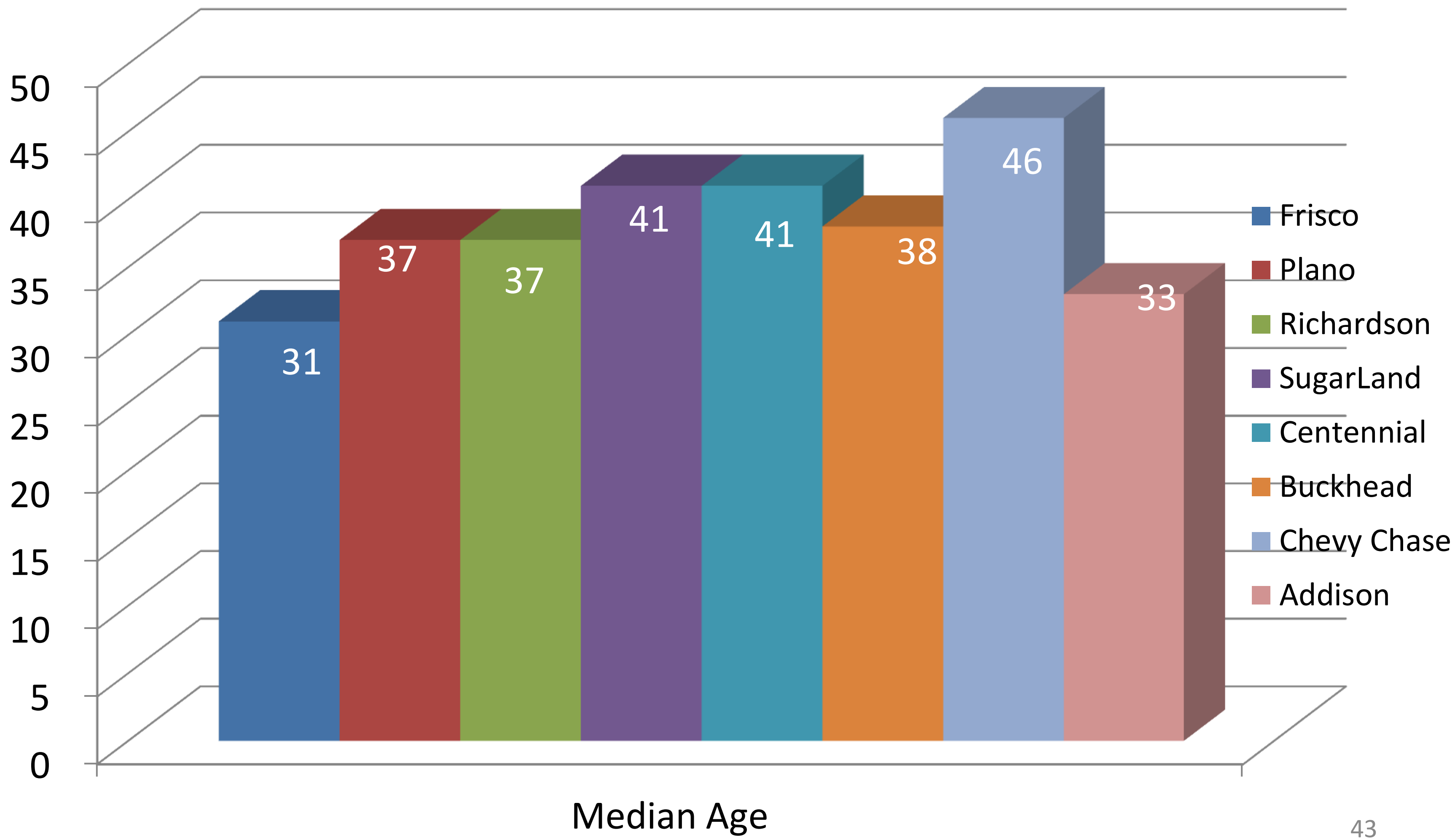
Income Comparison

Income levels in the Town of Addison are lower than others considered.



Age Comparison

The median age of Addison is on the younger end of the cities analyzed.



RESEARCH SUMMARY

Key Research Findings

- INTERVIEWS
  - Concern about need for Addison to continue to evolve in order to remain relevant.
  - Key stakeholders feel tightly connected with Addison and give the city leadership top marks.
  - Desire to develop stronger brand position and relatively low brand awareness.
- DEMOGRAPHICS/PSYCHOGRAPHICS
  - Addison has a younger, significantly smaller, less wealthy population base than its competition.
  - Population declined between 2000 and 2010, but is expected to increase with new development.
- SURVEY
  - **Residents.** ***Like*** safety, special events, city services, proximity to restaurants and convenience of Addison's location. ***Dislike*** traffic, lack of retail and cost of living (especially renters).
    - Compared to other areas in DFW, Addison was rated ***high*** for special events, cleanliness, restaurants and safety. ***Low*** areas included cost of living, retail selections and places of worship. DART rail and bicycle baths on the wish list.
  - **Businesses.** ***Like*** location, convenience, safety and restaurants. ***Dislike*** traffic and lack of financial incentives.
  - **Visitors.** Come to Addison for dining and work.
  - **Overall.** Restaurants and entertainment, fun atmosphere and caring a safe environment were named as top differentiators.
- COMPETITION
  - The lack of a public school district also makes the Town different than others considered.
  - Addison relies on the strength of its business base to offset the relative weakness of the resident base.
  - Addison is an urban center – much different than a typical suburb.
  - Addison has the potential, with a strong brand and an updated marketing campaign, to present itself as a desirable place to visit and work, even though it's smaller than its competitors.

Recommendations

- Build on the strength of the business base to uniquely position Addison.
- Restaurants, entertainment and events are key aspects that differentiate Addison.
- The vibrancy of the daytime worker base and night-time visitors are a key points of difference.
- The philosophy of the "Addison Way" should be included in the brand.
- Move away from focus on "family" as the top line of the brand. Addison is primarily a place for adults to work, play and live.
- Complete additional analysis to improve certain aspects of Addison in order to improve its image. (These items were brought up in the survey but fall outside the scope of the branding initiative.)
  - Economic development to fill office space is probably the top city priority as this drives revenue and also has spill-over effect for hotels, restaurants and residences
  - Undergo a master planning process to help everyone visualize the future for Addison
  - Traffic
  - Smoking in restaurants
  - DART Rail
  - Adding retail options as the economy allows
  - As the infrastructure ages, continue redeveloping older areas to modernize the look of Addison landscaping, businesses, retail, hotels and restaurants
  - Adding and/or promoting independent "destination" restaurants - perhaps in a special district within the city – or perhaps incentives to help existing independents freshen their look

BRAND WORKSHOP SUMMARY & BRAND POSITIONING RECOMMENDATIONS

Brand Workshop Participants

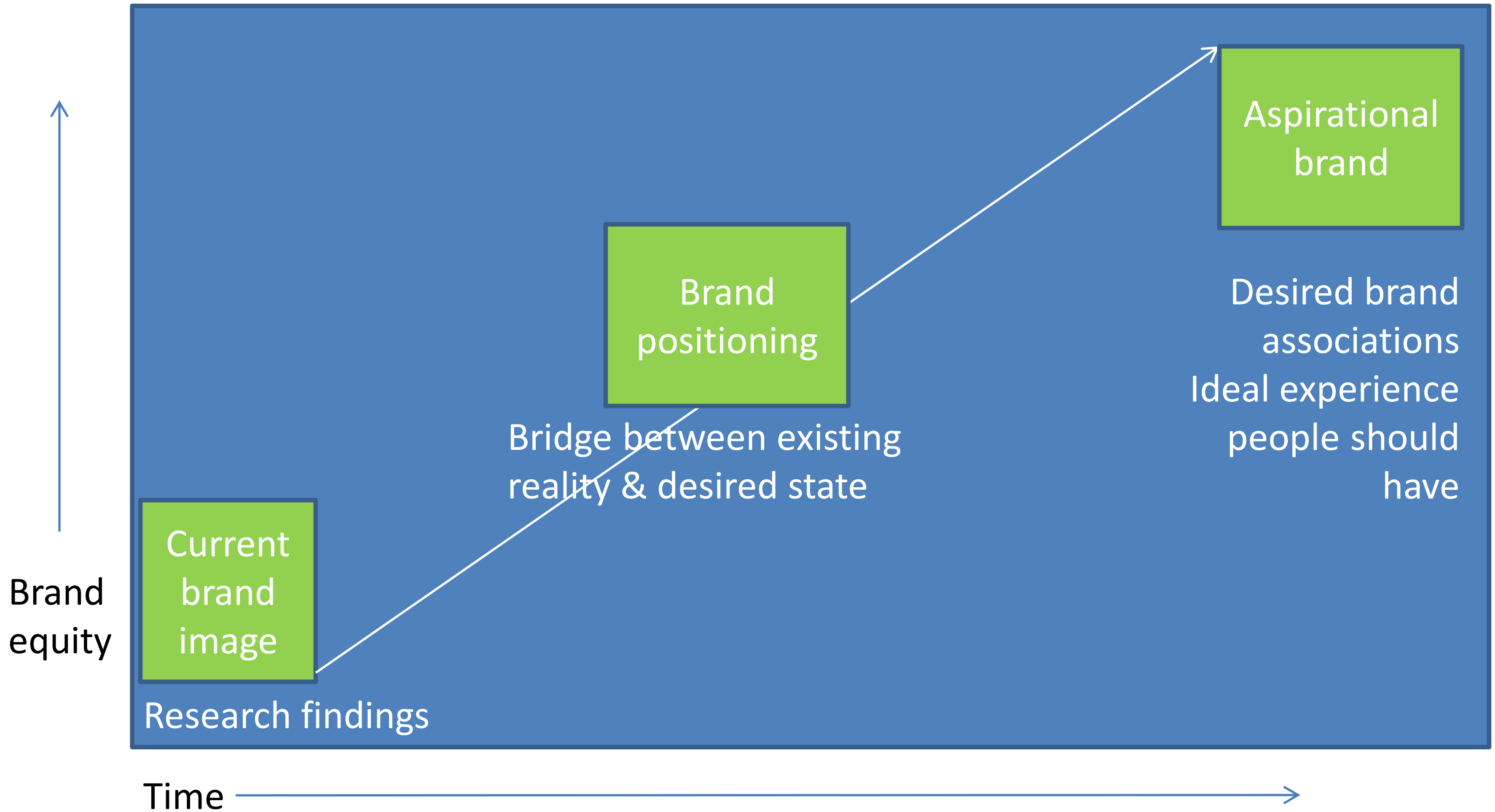
- Todd Meier, Mayor
- Ron Whitehead, City Manager
- Chris Terry, Assistant City Manager
- Margie Gunther, Council Member
- Bruce Arfsten, Council Member
- Carrie Rice, Director of Communications and Marketing
- Barbara Kovacevich, Director of Special Events
- Bob Phillips, Director of Visitor Services
- Charles Goff, Assistant to the City Manager
- Dannette Robberson, Assistant to the City Manager
- Lt. Shawn Allen, Addison Police
- Mark Gooch, Project Manager
- Darci Neuzil, Deputy Airport Manager
- Terry Martin, Artistic and Creative Director, WaterTower Theatre
- Passion Hayes, Director of Human Resources

Brand Workshop Goals

- To synthesize the research information
- To understand the brand personality of the Town of Addison
- To identify key differentiators
- To develop the brand positioning statement

Brand Positioning

Since brands are not only what we say but also what we do, brand positioning needs to balance our aspirational goals with a recognition of capabilities



What is a Positioning Statement?

For _____, Addison is the ________where______.

For McKinney, Texas:

For people who like to do things their own way, McKinney is a one-of-a-kind town near – but not shadowed by – Dallas, where even Mother Nature feels free to stand out from the crowd.

For the government-industry consortium that promotes Louisiana seafood:

To people with adventurous tastes,
Louisiana Seafood is the main ingredient
that brings the soul of our state to the table.

For a silent film legend whose estate licenses his image to various brands:

For people who could use a good laugh,
Harold Lloyd is the brand of timeless physical comedy
that turns Murphy's Law on its head

Brand Workshop Highlights

- Lots of discussion around priority of target audiences for branding purposes: businesses, residents and visitors
- Discussed the need to create a position that was authentically Addison
- Everyone wanted to create a sense of place
- Addison is a diverse place in terms of ethnicity, definition of family and types of activity

Target Audiences

- Common characteristic among all audiences
  - Like an urban setting
  - Not looking for a rural setting
  - Active
  - All eat at restaurants
  - Want to feel welcome
  - Lively
  - Diverse

Final Target Audience

- We landed on ‘active people’
  - The distinguishing feature or common denominator of our best prospects across the key audiences — businesses, potential residents, leisure/entertainment seekers, municipal employees. If you want a sleepy town, we’re not for you. If you’re an active type (or you employ active types in your company), you’ll find Addison appealing.

Competitive Set

- Definition of Addison's competitors
- If I don't choose Addison, I choose another __________
- Key points of discussion
  - Addison isn't like a typical suburb
  - Addison isn't competing with rural areas
  - Addison is a bustling area that competes with other cities and metropolitan areas

Final Competitive Set

- We landed on ‘city’
  - The competitive set or group of choices as prospects would think of it — the mental box they’re opening when they think about where to locate.
  - Regardless of what we call Addison in our own communications, prospects will be looking at us within a universe of other cities.

Points of Differentiation

- What makes Addison unique?
  - Addison Way - friendly and helpful
  - Boardroom community
  - Restaurants
  - Entertainment and nightlife
  - Special events

Final Point of Differentiation

- We landed on ‘where business hours and after hours connect without missing a beat’
  - The benefit that makes Addison distinct from the rest of the competitive set and compelling to the target of active people.

Final Brand Direction

- Positioning statement:

  For active people, Addison is the city where business hours and after hours connect without missing a beat.

- Reasons to believe:
  - Tons of diverse living, working, and leisure and entertainment options
  - Everything is found in a small, “user-friendly” footprint; your day has “flow”
  - Access: Addison is a central hub within Greater Dallas — highways, major streets, the airport
  - Government that’s business-friendly and service-minded; things run smoothly and safely

- Brand personality:
  - Creative and forward-thinking, with the welcome mat always out

TOWN OF ADDISON

BRANDING RESEARCH

MARCH 2013

PRESENTED BY

VAN SAXON & ASSOCIATES
SANTA FE, NEW MEXICO

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METHODOLOGY

RESEARCH OVERVIEW

Van Saxon & Associates implemented an online survey and research study for the Town of Addison in February/March 2013. The goal of the online research was to achieve a substantial base of knowledge about the present status of the Addison Brand so the agency and creative team would be able to clarify and clearly communicate its key points of differentiation to target audiences. The online research, in combination with the stakeholders' interviews, was developed to define and if necessary determine how to refine the brand's three C's: Core Values – "20 years from now what will still be true?"; Core Competencies – "what are we good at, better than anyone else?"; Customers – "what are their needs, demands, desires?"

The key Objectives were to:

1) attain a clear recognition about the present position of and level of knowledge about the Town of Addison that exists in the marketplace among target audiences (Customers)
2) obtain varying target audiences' perceptions, reasons for decisions to live, work, dine, shop, visit and play in Addison and the key drivers which decrease or increase those levels of participation and interaction with Addison entities (Customers)
3) verify a majority opinion on Addison's execution on key performance elements (Core Values)
4) achieve an identification of the key differentiators which will enable development of a stronger brand position moving forward (Core Competencies)

We established four major respondent groups for the study:

1) Residents – those who live in Addison
2) Executives – those who conduct business in Addison (business owners, senior executives, general managers of major chains)
3) Employees – those who work in Addison
4) Visitors - those who do or have visited, dined, shopped and/or played in Addison broken out by those who live in DFW and those who live outside of DFW

The Margin of Error and Confidence Levels established as a goal were a 3% Margin of Error and 95% Confidence Level which determined the number of responses needed in each of the four groups. The number of Resident respondents totaled 1,172 and the number of Visitors from DFW totaled 2,059 achieving the responses needed for a 3% Margin of Error and 95% Confidence Level. The number of Employee respondents was 730 achieving a 3% Error Margin and 90% Confidence Level. The number of Executive respondents was 199 achieving a 4.8% Margin of Error and 90% Confidence Level. And the number of non-DFW visitors living outside of the Metroplex totaled 207 achieving a 5.7% Error Margin and a 90% Confidence Level. The Town of Addison representatives were satisfied with these numbers and percentages.

In addition to the analysis to achieve the listed objectives and goals the critical evaluation includes a summation of:

- respondents' competitive preferences and usage behavior (cities, towns, retail, restaurant and entertainment districts)
- respondents' levels of intent to recommend Addison as a place to live and a place to visit (Net Promoter score)
- the hurdles and challenges which must be overcome or addressed to improve satisfaction and intent to return/revisit and recommend levels
- the demographic changes in the Town of Addison and the Addison Primary Trading Area from the 2000 to the 2010 U.S. Census and 2012 updates and the potential resulting impact on Addison's future

This final report includes an analysis of each groups' responses to the specific questions directed at that group plus a comparative analysis of each group's responses to the questions directed at the total respondent base. Van Saxon & Associates' key responsibility is to provide the critical analysis of the results which will enable the key decision makers to clearly establish a brand roadmap for the Town of Addison going forward.

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SECTION I

TOWN OF ADDISON CENSUS DATA COMPARISON

RESPONDENT DEMOGRAPHIC PROFILE

PRIMARY TRADING AREA PROFILE

TOWN OF ADDISON, TEXAS: CENSUS COMPARISON 2000/2010 & VS. DALLAS COUNTY						
DEMOGRAPHIC GROUP	**Addison 2000 Census**	**%**	**Addison 2010 Census**	**%**	**# or % Change 2010 vs. 2000**	**Dallas County 2010 Demo %**
Total Population	14,166		13,056		-7.8%	2,368,139
Gender						
Male	7,392	52.2%	6,507	49.8%	-2.4%	49.4%
Female	6,774	47.8%	6,549	50.2%	2.4%	50.6%
Marital Status						
Single	4,306	36.5%	4,095	37.8%	1.3%	38.7%
Married	5,043	42.2%	4,209	38.8%	-3.4%	48.1%
Other (Wid./Sep./Div.)	2,537	21.3%	2,522	23.3%	2.0%	13.3%
Total Households	7,621		7,378		-3.2%	855,960
Children in HH						
None	5,179	82.8%	5,225	83.5%	0.7%	68.5%
One or more	2,442	17.2%	2,153	16.5%	-0.7%	31.5%
Household Profile						
Owner-occupied	1,576	20.7%	1,817	24.6%	3.9%	53.2%
Renter-occupied	6,045	79.3%	5,561	75.4%	-3.9%	46.8%
Race						
White/Caucasian	9,603	67.8%	8,840	67.7%	-0.1%	53.5%
Black/African-American	1,364	9.6%	1,547	11.8%	2.2%	22.3%
Am.Indian/Alaska Native	58	0.4%	51	4.0%	3.6%	0.7%
Asian	1,107	7.8%	969	7.4%	-0.4%	5.0%
Other Race/Two+	1,900	13.4%	1,388	10.6%	-2.8%	
Origin/Ethnicity						
Spanish/Hispanic/Latin	3,406	24.0%	3,290	25.2%	1.2%	38.3%
Not Span./Hispanic/Latin	10,760	76.0%	9,766	74.8%	-1.2%	61.7%

DEMOGRAPHIC GROUP	Addison 2000 Census	%	Addison 2010 Census	%	# or % Change 2010 vs. 2000	Dallas County 2010 Demo %
Age						
18-24	1667	11.8%	1475	11.3%	-0.5%	10.0%
25-29			2,201	16.9%		
30-34	(Age 25-34) 4,245	30.0%	1,607	12.3%	(Age 25-34) -0.8%	16.3%
35-39			1,078	8.3%		
40-44	(Age 35-44) 2,526	17.8%	851	6.5%	(Age 35-44) -3.0%	14.5%
45-49			858	6.6%		
50-54	(Age 45-54) 1,730	12.2%	860	6.6%	(Age 45-54) 1.0%	13.5%
55-59	597	4.2%	666	5.1%	0.9%	5.3%
60-64	403	2.8%	571	4.4%	1.6%	4.2%
65-74	436	3.1%	643	5.0%	1.9%	4.9%
75+	226	1.6%	303	2.4%	0.8%	3.9%
Median age	**31.6**		**32.5**			**32.5**
Education						
Some high school	540	5.4%	721	7.8%	2.4%	11.5%
Graduate high school	1,822	18.2%	1,175	12.7%	-5.5%	23.1%
Some college	2,282	22.8%	2,005	21.7%	-1.1%	20.0%
Graduated college	2,948	29.5%	2,964	32.1%	2.6%	18.4%
Advanced degree	1,519	15.2%	1,413	15.3%	0.1%	9.7%
Household Income						
Less than $25K	1,439	19.1%	1,215	18.0%	-1.1%	23.8%
$25K-$49,999	2,475	32.8%	1,712	25.3%	-7.5%	27.1%
$50K - $74,999	1,551	20.6%	1,499	22.2%	1.6%	18.5%
$75K - $99,999	703	9.3%	823	12.2%	2.9%	10.8%
$100K - $124,999		.				
$125K - $149,999	$100K-$149,999 657	8.7%	768	11.4%	2.7%	10.9%
$150K - $174,999						
$175K - $199,999	$150K-$199,999 381	5.1%	350	5.2%	0.1%	3.9%
$200K +	333	4.4%	399	5.9%	1.5%	5.0%
Median HH Income	**$48,566.00**		**$55,816.00**		**14.9%**	**$48,942.00**
Mean HH Income			**$80,704.00**			**$71,859.00**

SUMMARY ANALYSIS:

Van Saxon & Associates conducts its own census data collection in order to insure that the most up-to-date numbers are used in their analysis. The reports pulled for the Town of Addison review included the following for the Town of Addison and for each zip code in the Primary Trading Area

- 2010 Demographic Profile
- 2011 Economic Census
- 2011 American Community Survey
- 2012 Population Estimates Report
- 2000 Census data

The charts on the previous pages are for the Town of Addison which includes both the 75001 zip code and portions of the 75254 zip code. In the last ten years the Town has seen a reduction in its population base, losing nearly 8% overall, and a 3.2% reduction in the number of households.

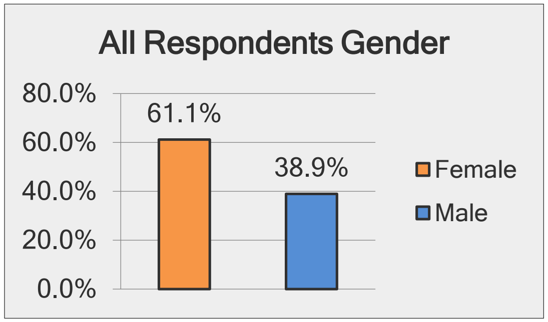
In general we have seen a loss in Married couples and in Households with Children. We've gained in the number of Owner-occupied households but are still dramatically less than Dallas County and the U.S. as a whole. We are less ethnically-diverse than Dallas County but equal to the U.S. in terms of the Black/African-American race group and are more diverse than the U.S. in terms of Asians and Hispanics.

One of our bigger challenges is the concentration of our residents in the 24 to 34 age group. At 29.2% we are double that of Dallas County and the United States (13.3%). This Millennial Generation is best known for growing up with computers and increased environmental awareness but also for moving back in with their parents when faced with the challenges of job search and affordable housing. We have a smaller percent than both Dallas County and the U.S. in the Baby Boom generation which holds 70% of the U.S., wealth owns the most homes and drives the majority of dining out occasions.

RESPONDENT DEMOGRAPHIC PROFILE

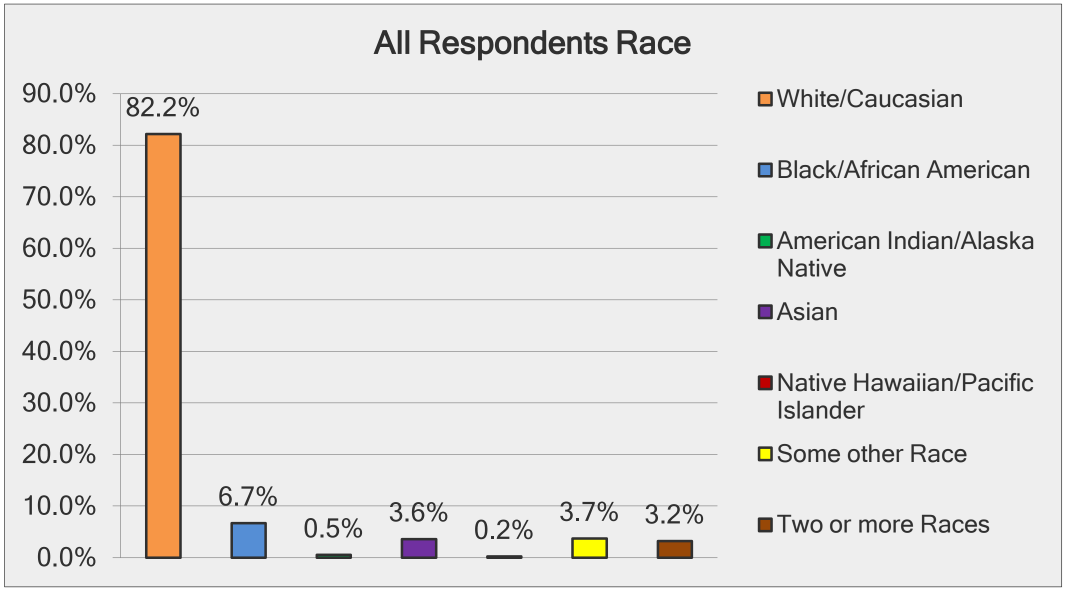
NOTE: When viewing the overall Respondent profile and the profiles of the individual groups it is important to remember the make-up of our lists to which we sent the survey which, in some cases, can skew the demographics. However, we are comfortable that the majority of the groups had sufficient numbers to inhibit a detrimental effect from occurring.

Note also, in several cases we have compared the Respondent profile to that of the Town of Addison's demographics which is for reference only as it must be noted that a high percentage of our Respondents are those Visitors we included in the survey.



Group	Female	Male
Resident	62.4%	37.6%
Executives	35.4%	64.6%
Employees	57.4%	42.6%
Visitors: DFW	60.9%	39.1%
Visitors: Non-DFW	56.0%	44.0%

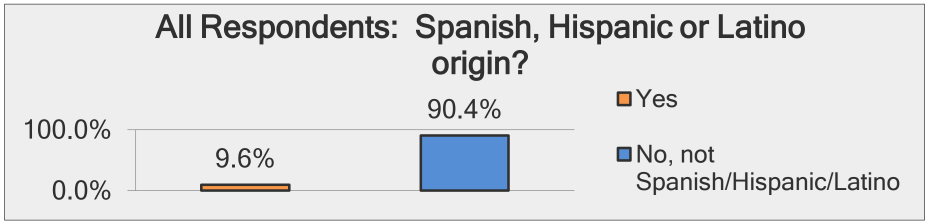
Not surprising, the Executives group had a higher percent of Males in their make-up. The Visitors group from outside DFW skewed heavier also with Males primarily because 30% of them came "to work" or "conduct business" versus 20% for "a leisure trip or vacation".



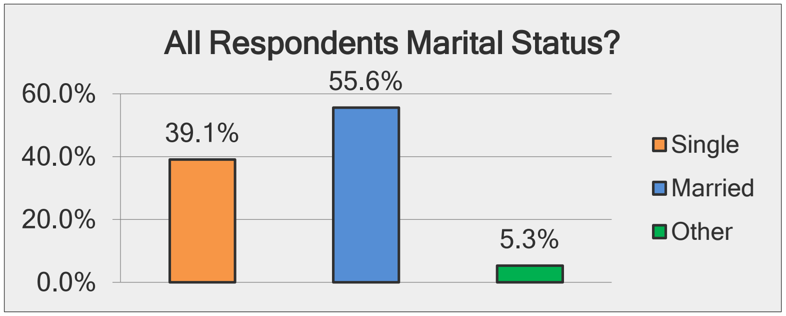
Group	White	Black	Asian
Resident	84.8%	4.7%	4.5%
Executives	90.1%	3.0%	2.7%
Employees	84.4%	4.9%	2.8%
Visitors: DFW	80.8%	7.4%	3.2%
Visitors: Non-DFW	80.9%	11.6%	1.2%

Overall, our respondents skewed much heavier White/Caucasian than the make-up of the Town of Addison with lesser percentages than Addison among both Asians and African-Americans.

The same is true in regards to the Hispanic respondents – with a total of 9.6% versus the 25.2% residing in the Town of Addison.

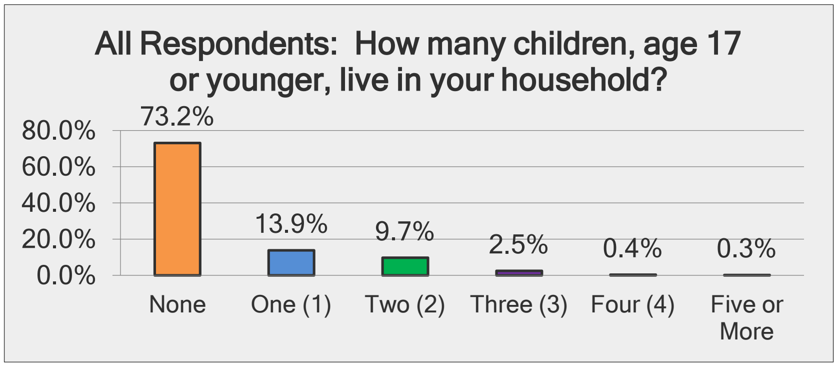


Group	Yes	No
Resident	8.0%	92.0%
Executives	4.2%	95.8%
Employees	10.2%	89.8%
Visitors: DFW	10.8%	89.2%
Visitors: Non-DFW	6.9%	93.1%



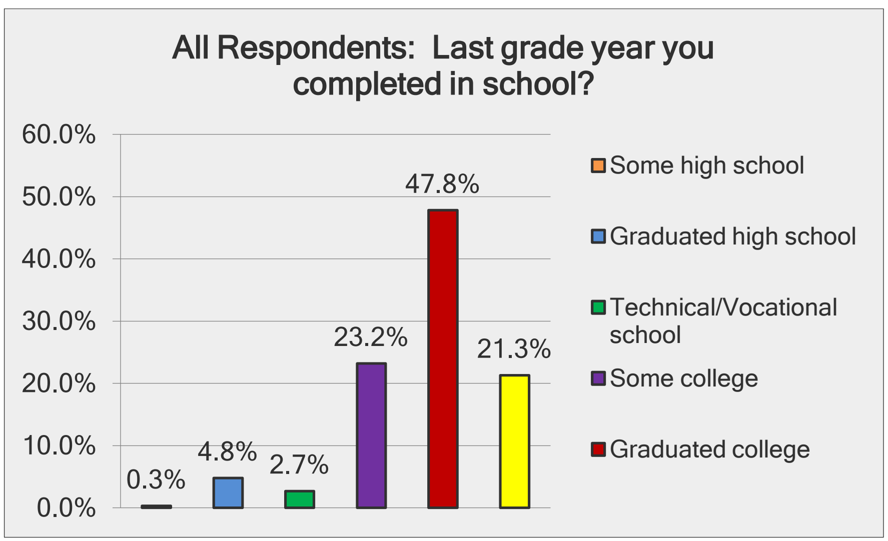
Group	Single	Married
Resident	46.8%	47.1%
Executives	22.3%	77.9%
Employees	33.4%	62.3%
Visitors: DFW	35.2%	59.9%
Visitors: Non-DFW	33.7%	62.3%

The total percentage of Married couples in Addison is only 38.8%.



Group	None	1 or More
Resident	84.4%	15.6%
Executives	62.9%	37.1%
Employees	62.9%	37.1%
Visitors: DFW	66.9%	33.1%
Visitors: Non-DFW	69.5%	30.5%

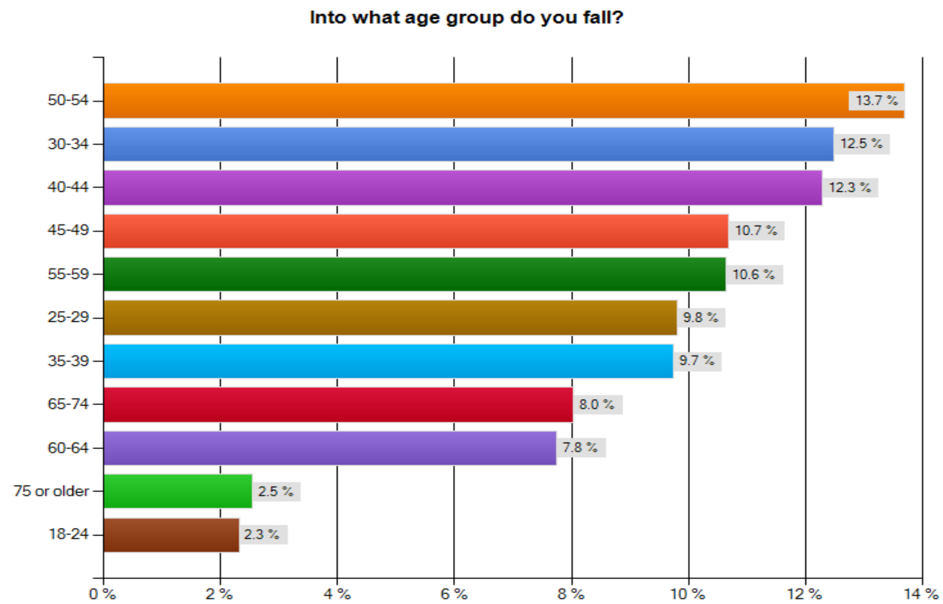
The Town of Addison also has a slightly higher percent of HH without children- 83.5%. The non-Resident groups, in both of these demographic areas, have percentages more closely resembling Dallas County and the U.S.



Group	College Grad.	Advanced Degree	Total
Resident	48.2%	27.5%	75.7%
Executives	56.8%	14.0%	70.8%
Employees	46.7%	14.3%	61.0%
Visitors: DFW	48.1%	18.1%	66.2%
Visitors: Non-DFW	43.9%	16.8%	60.7%

The Respondents' educational levels are significantly higher than those in the Town of Addison, Dallas County and the U.S.

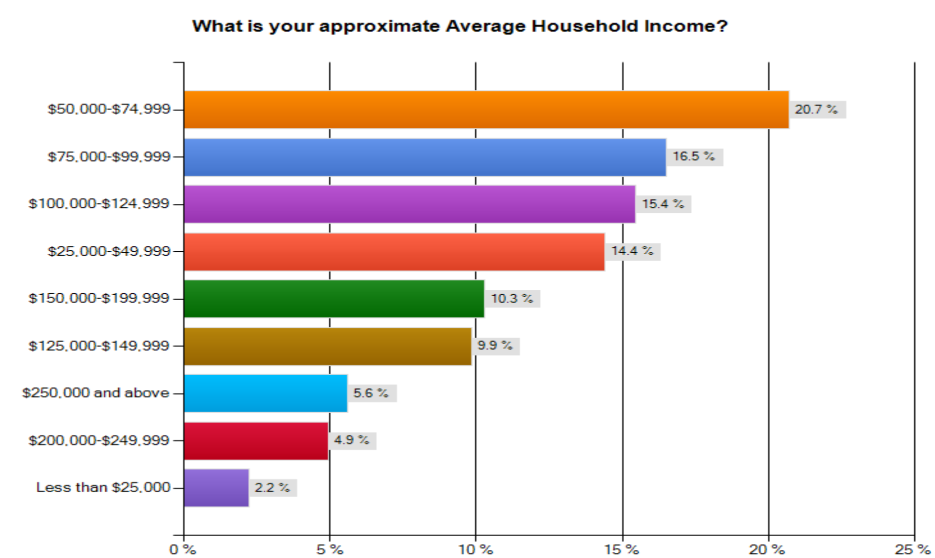
All Respondents:



Group	Age Group with Highest %
Resident	65-74: 14.1%
Executives	50-54: 19.1%
Employed in Addison	40-44: 19.8%
Employed by Addison	50-54: 24.3%
Visitors: DFW	50-54: 15.6%
Visitors: Non-DFW	55-59: 15.6%

Our Respondent base skews heavier in some of the older age groups but overall we achieved a good representation in nearly all categories.

All Respondents



Group	Income Group with Highest %
Resident	$50K - $74,999: 19.7%
Executives • Owner of business • CEO/Pres./Exec.	 $250K +: 24.8% $75K - $99,999K: 18.9%
Employees	$50K - $74,999: 24.1%
Visitors: DFW	$50K - $74,999: 21.5%
Visitors: Non-DFW	$75K - $99,999: 21.9%

The Respondents' income levels are generally on track with those in Addison, Dallas County and the U.S with slightly higher percentages in the upper-income categories.

VAN SAXON & ASSOCIATES
SANTA FE, NEW MEXICO

ADDISON TRADING AREA

TOWN OF ADDISON

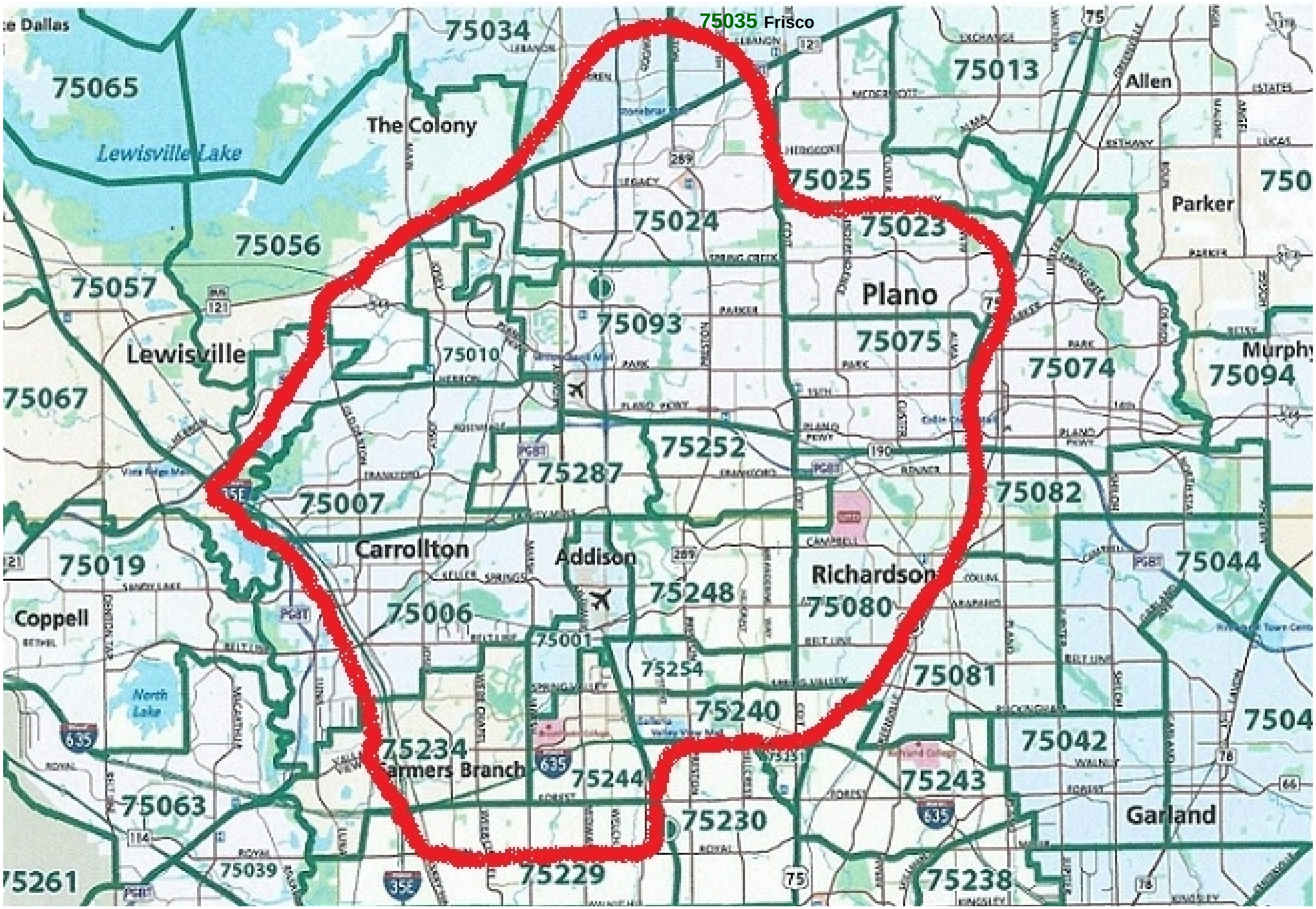
PRIMARY TRADING AREA ZIP CODES

Zip Code	% in PTA	Town/City	2013 Research	2000 Research
75001	100%	Addison	18.6%	3.4%
75006	90%	Carrollton	6.5%	9.1%
75248	100%	Dallas – adjacent to Addison	6.3%	12.5%
75287	100%	Dallas – north of Addison	6.2%	8.4%
75007	100%	Carrollton	4.8%	10.1%
75254	100%	Dallas - new zip code established after 2000	4.7%	----
75234	90%	Farmers Branch	3.5%	13.8%
75093	100%	Plano	3.2%	1.6%
75252	100%	Dallas – northeast of Addison	2.5%	4.9%
75056	20%	The Colony	2.2%	----
75080	100%	Richardson	1.9%	2.0%
75023	100%	Plano	1.9%	----
75035	20%	Frisco	1.7%	----
75034	20%	Frisco	1.6%	----
75024	100%	Plano	1.6%	----
75244	100%	Dallas – north and south of LBJ to Forest Lane	1.5%	9.8%
75075	20%	Plano	1.3%	0.7%
75240	100%	Dallas – north of LBJ, Valley View area	1.2%	11.5%
75010	90%	Carrollton	1.2%	----
75229	50%	Dallas – south of Forest Lane	1.1%	2.9%

SECONDARY TRADING AREA ZIP CODES

Zip Code	Town/City	2013 Research	2000 Research
75070	McKinney	1.6%	----
75206	Mockingbird and Greenville	1.3%	----
75002	Allen (Collin County)	1.2%	----
75019	Coppell	1.2%	----
75067	Lewisville (Denton County)	1.2%	----
75068	Little Elm (Denton County)	1.2%	----

ADDISON PRIMARY TRADING AREA 2013



In the 2000 study that VS&A did for the Town of Addison we developed a Primary Trading Area based on 700 telephone interviews with restaurant patrons who had dined at one of the then 137 restaurants located in the Town of Addison within the past 60 days. With the new sampling methodology we were able to do using an online survey in 2013 we, of course, were able to determine a more exact picture of our PTA.

Additionally, based on the number of respondents coming from each zip code and the natural barriers formed by major highways we were able to estimate our penetration into certain zip codes which is why in the second column you see partial percentages for certain zip codes. This aided us in being able to eliminate the heavy emphasis that one single zip code may have on a demographic profile of the entire PTA.

Not only have we determined that our trading area is much greater than we had derived in 2000 but the boundaries have seen substantial changes due to huge shifts in population and on-going challenges and hurdles in our backyard.

In the zip code breakdown on page 14 you'll note that the percent drawn from the Town of Addison's primary zip code is much larger than that in 2000 mainly driven by the lists used for the respondent solicitation. Despite the heavy concentration of respondents (Residents) coming from this one zip code (which impacts the overall size of percentages in the remaining zip codes) we were still able to see substantial expansion of our PTA from the 2000 study.

By far the greatest impact was seen in the expansion of our draw area north of our own geographical boundaries driven by the growth in population in these areas:

- Plano increasing by 18.0% since 2000
- The Colony growing by 37.9% in population
- McKinney's growth was 143.0%
- Frisco saw an amazing 249.6% increase in its population.

The extension of the Dallas North Tollway along with the opening of two other major highways and turnpikes in this growing area (the George Bush Turnpike and the Sam Rayburn Tollway) enabled quicker access for these residents to visit, dine, shop and work in Addison.

A secondary impact on our draw area boundaries was driven by the loss of a major retail entity (Valley View Mall) in the 75240 zip code which in 2000 resulted in a good size overflow to Addison from those driving into the area from the 75230 and 75251 zip codes. We saw little if any draw from these two zips in 2013.

Another negative impact, albeit short-term but still significant, has been the on-going construction on the LBJ Freeway. We have seen a dramatic loss of residents living south of LBJ driven by their unwillingness to deal with the delays and frustration resulting from this construction. Our draw area south of LBJ has been greatly reduced in size and volume.

However, by far the greatest change in our marketplace from the year 2000 to today has been the change in the liquor laws throughout Dallas. In 2000 the average consumer who desired to have a glass of wine with dinner was forced to carry ten-plus club cards in his wallet to enjoy that privilege. If you lived south of LBJ in 2000 your only option was to head north to Addison to purchase alcohol or enjoy a drink in a restaurant. It made the Beltline restaurant row a major lunch and dinner destination for consumers all over north Dallas plus a key economic driver for the wine and liquor stores. That is no longer the case. Today one can buy and enjoy an alcoholic beverage at any restaurant of their choosing. This change has been behind the huge growth in the number, type and caliber of restaurants now located in those zip codes that were once in our Primary Trading Area. Where there were once few restaurants in number along Forest, Preston and Royal there are now dozens of attractive options all the way down to Preston Center.

The challenge for us is two-fold. One, we've lost the clout of being the only game in town. And two, those consumers who once willingly drove north are now changing their purchase and dining habits due to their overwhelming desire to avoid the construction obstacle on LBJ. Unfortunately, once you've changed consumers habits, driving them south instead of north, it is very difficult to get them to change back to their old ways.

On the following pages we have identified the 2010 census demographic numbers for our new Primary Trading Area and provided an updated demographic view of our old, 2000 trading area.

(As a point of explanation, we have included in the PTA certain zip codes which appear to have very low percentages among the respondent base. This is due primarily as they are zips of inclusion surrounded by zip codes with much greater percentages.)

ADDISON PRIMARY TRADING AREA DEMOGRAPHIC PROFILE

ADDISON PTA 2010 Census	PTA in 2000 (entire zip codes)	Percent	PTA in 2010 (partial zip codes)	Percent	% Changed
Total Population	**493,816**	**----**	**570,009**	**----**	**15.4%**
Gender					
Male	**241,995**	**49.0%**	**279,089**	**48.9%**	**-0.1%**
Female	**249,821**	**51.0%**	**288,854**	**51.1%**	**0.1%**
Marital Status					
Single	**129,448**	**32.3%**	**133,662**	**26.6%**	**-5.7%**
Married	**201,394**	**50.2%**	**241,162**	**47.9%**	**-2.3%**
Other (Wid./Sep./Div.)	**70,070**	**17.5%**	**128,083**	**25.5%**	**8.0%**
Total Households	**206,857**	**----**	**237,424**	**----**	**14.8%**
HH w/Children					
None	**144,980**	**70.1%**	**148,865**	**65.4%**	**-4.7%**
One or more	**61,877**	**29.9%**	**78,912**	**34.6%**	**4.7%**
Household Profile					
Owner-occupied	**105,968**	**51.0%**	**127,598**	**56.2%**	**5.2%**
Renter-occupied	**101,790**	**49.0%**	**99,479**	**43.8%**	**-5.2%**
Age					
18-24 (15-19)	**45,777**	**12.0%**	**48,255**	**11.7%**	**-0.3%**
25-29	**43,368**	**11.4%**	**45,201**	**10.9%**	**-0.5%**
30-34	**38,969**	**10.3%**	**44,969**	**10.8%**	**0.5%**
35-39	**35,632**	**9.4%**	**46,005**	**11.2%**	**1.8%**
40-44	**33,713**	**8.9%**	**42,950**	**10.4%**	**1.5%**
45-49	**37,002**	**9.7%**	**43,330**	**10.5%**	**0.8%**
50-54	**35,869**	**9.4%**	**38,181**	**9.2%**	**-0.2%**
55-59	**29,981**	**7.9%**	**30,511**	**7.4%**	**-0.5%**
60-64	**24,921**	**6.6%**	**25,131**	**6.1%**	**-0.5%**
65-74	**30,314**	**8.0%**	**28,792**	**6.9%**	**-1.1%**
75+	**24,520**	**6.5%**	**20,356**	**4.9%**	**-1.6%**
Median age	**35.9**		**35.6**		

ADDISON PTA 2010 Census	PTA in 2000 (entire zip codes)	Percent	PTA in 2010 (partial zip codes)	Percent	% Changed
Race					
White/Caucasian	**350,066**	**69.1%**	**406,473**	**71.3%**	**2.2%**
Black/African-American	**49,618**	**9.8%**	**55,553**	**9.7%**	**-0.1%**
American Ind/Alaska Nat.	**5,839**	**1.2%**	**6,650**	**1.2%**	**----**
Asian	**44,154**	**8.7%**	**64,325**	**11.3%**	**2.6%**
Other Race	**57,014**	**11.3%**	**37,008**	**6.5%**	**-4.8%**
Origin/Ethnicity					
Spanish/Hispanic/Latin	**131,658**	**27.2%**	**126,367**	**23.5%**	**-3.7%**
Not Span./Hispanic/Latin	**352,534**	**72.8%**	**412,455**	**76.5%**	**3.7%**
Education					
Some high school	**19,642**	**6.6%**	**17,952**	**5.3%**	**-1.3%**
Graduate high school	**53,602**	**18.1%**	**57,932**	**17.0%**	**-1.1%**
Some college	**68,258**	**23.0%**	**85,534**	**25.1%**	**2.1%**
Graduated college	**101,944**	**34.4%**	**120,634**	**35.4%**	**1.0%**
Advanced degree	**53,250**	**17.9%**	**58,630**	**17.2%**	**-0.7%**
Household Income					
Less than $10K	**9,985**	**4.8%**	**7,944**	**3.8%**	**-1.0%**
$10K to $14,999	**6,994**	**3.4%**	**5,701**	**2.7%**	**-0.7%**
$15K to $24,999	**18,291**	**8.9%**	**15,441**	**7.4%**	**-1.5%**
$25K-$34,999	**21,076**	**10.2%**	**18,269**	**8.8%**	**-1.4%**
$35 K to $49,999	**26,907**	**13.1%**	**24,897**	**11.9%**	**-1.2%**
$50K - $74,999	**37,500**	**18.2%**	**36,481**	**17.5%**	**-0.7%**
$75K - $99,999	**22,372**	**10.9%**	**25,725**	**12.3%**	**1.4%**
$100K - $149,999	**29,784**	**14.5%**	**36,691**	**17.6%**	**3.1%**
$150K - $199,999	**13,440**	**6.5%**	**17,263**	**8.3%**	**1.8%**
$200K +	**19,530**	**9.5%**	**20,016**	**9.6%**	**0.1%**
Median HH Income	**$63,385.00**		**$74,001.60**		**16.7%**
Average HH Income	**$93,436.25**		**$98,406.50**		**5.3%**

SUMMARY ANALYSIS:

As stated earlier, in developing the Primary Trading Area from this 2013 online survey study we were able to achieve penetration parameters into individual zip codes versus pulling the demographics for entire zip codes. This new breakdown of the old versus the new shows you the difference in demographics in 2000 (using entire zip codes) versus 2013 using demographics from certain zip codes in partial percentages to achieve the entire picture – a much more accurate method for analyzing and viewing our target audience.

Note these key similarities and differences between the 2010 demographic profile for the Town of Addison versus the 2010 demographic profile for our newly established Primary Trading Area:

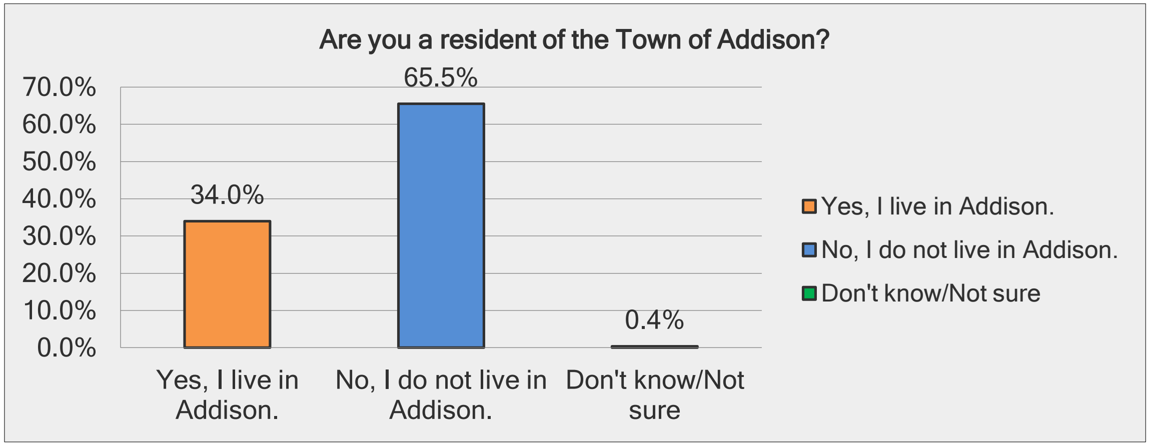
- In terms of population and households our geographically expanded draw area has 15% greater population and a 14% increase in households
- the Gender profiles are very similar
- the PTA has a much higher percent of Married couple households and almost double the number of Households with Children present
- the PTA has over double the percent of Owner-occupied housing
- in the PTA there is a much higher percent of the attractive, economically well-off Baby Boomer crowd versus the Millennials present in the Town of Addison
- both the Town and the PTA have similar race and ethnic profiles
- the PTA has a slightly higher percent of college graduates
- most important, the PTA residents have a significantly higher household income level

VAN SAXON & ASSOCIATES
SANTA FE, NEW MEXICO

SECTION II:

RESIDENT SUMMARY

Q. 1: RESIDENT/NON-RESIDENT OF ADDISON: Are you a resident of the Town of Addison? (As a resident you have either a home zip code of 75001 or you live in the Dallas zip code of 75254, a portion of which is within the geographical boundaries of the Town of Addison.) Is your home/place of residence located in the geographical boundaries of Addison?



RESIDENT RESPONDENT PROFILE SUMMARY ANALYSIS:

With 1,172 Residents responding to our survey this total equaled a little over 30% of our total Respondent base, easily achieving a 3% Margin of Error and 95% Confidence level on a total population of 13,000+ Residents.

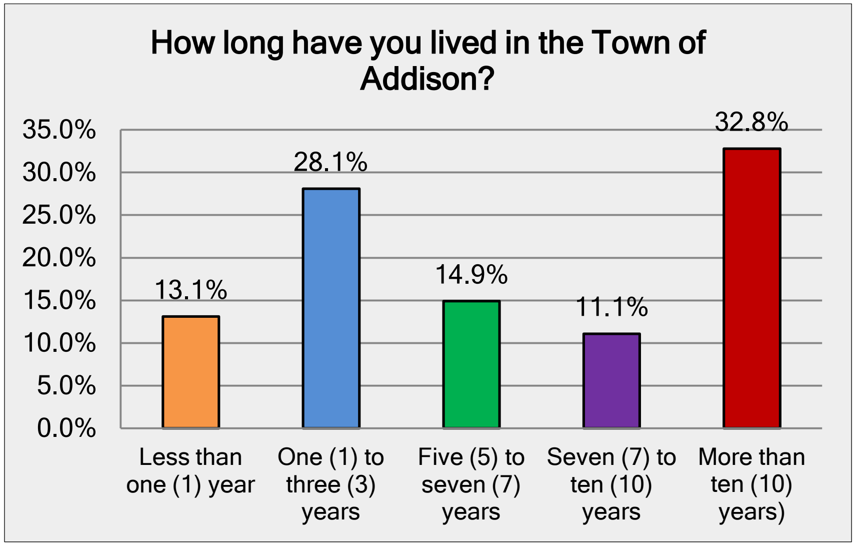
As shown in the graphs and charts below, the average length of residency among the Town of Addison citizen respondents is 7.8 years with the highest percent – 32.8% - having lived in Addison for more than ten years.

The highest percent of Respondents live in Single-family homes and an even higher percent Own their Residence versus Renting. This is somewhat unusual in that Addison is rated #51 on the list of the "Top 100 U.S. cities with the highest percentage of renters".

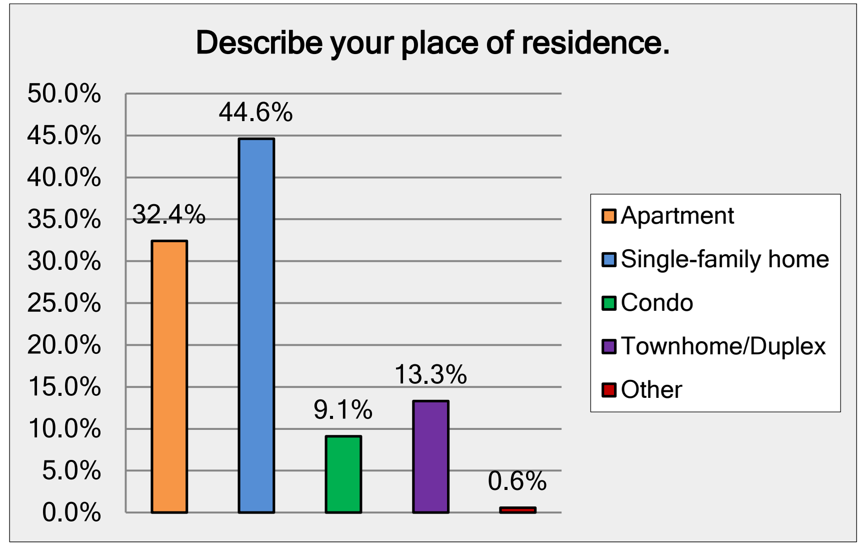
A little less than 3% of the Respondents identified themselves as being a municipal employee of the Town of Addison or being contracted by Addison for their services.

None of the Respondents in either the Executive group or the Employees group identified themselves as being a Resident of the Town of Addison.

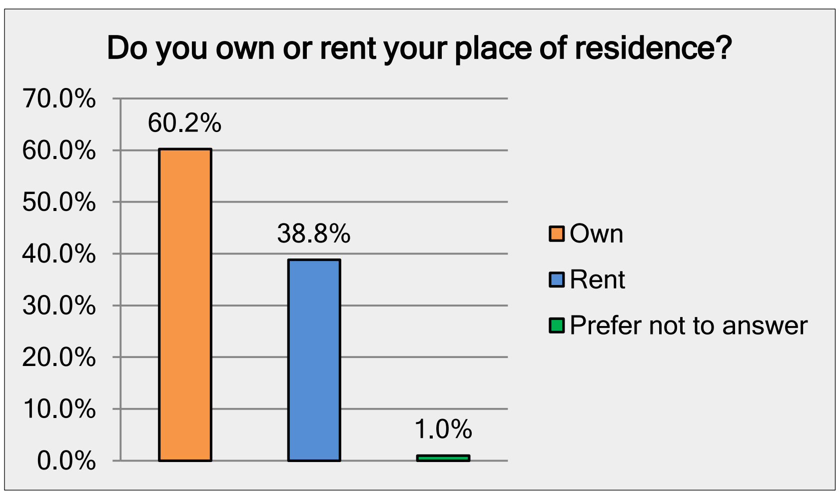
Q. 2: LENGTH OF RESIDENCY: Average 7.8 years



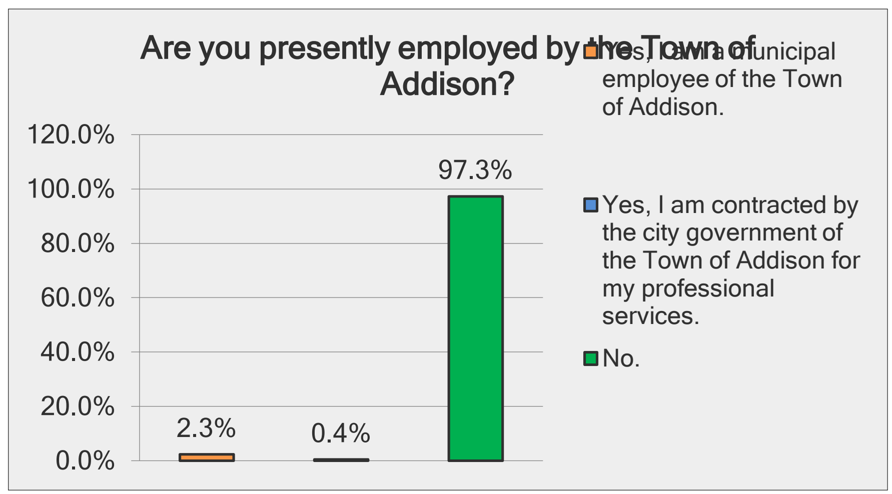
Q. 3: HOUSING PROFILE



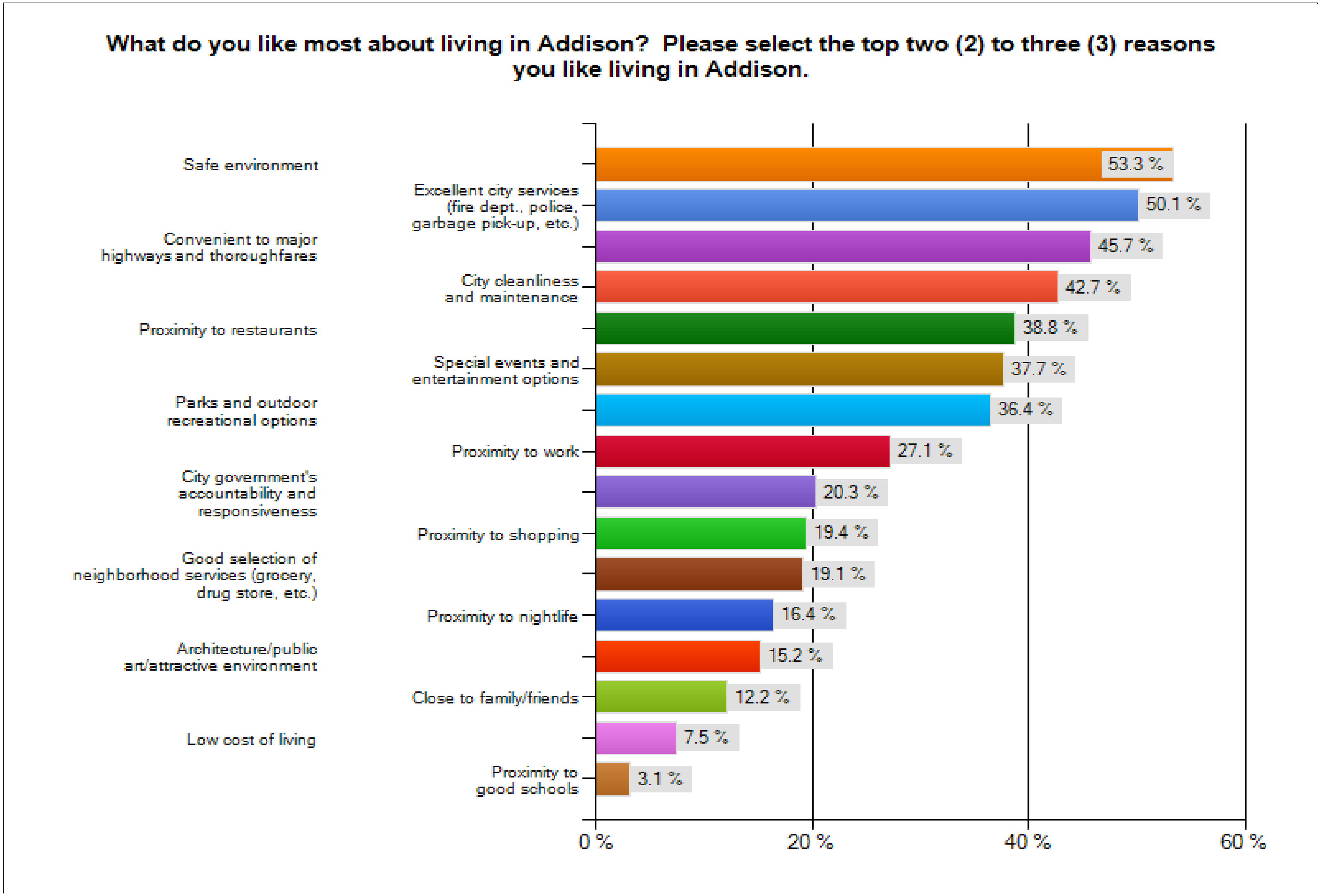
Q. 4: RENTER/HOME-OWNER



Q. 5: RESIDENTS EMPLOYED BY TOWN OF ADDISON



Q. 6: LIKES ABOUT LIVING IN ADDISON – among Residents



SUMMARY ANALYSIS:

When you are developing the key points of differentiation among target audiences on which to build your marketing messages and your brand the most important exercise is to avoid being all things to all people. It doesn't matter if you achieve high marks in numerous areas.   What does matter is narrowing the key copy points to those that are most important for a particular audience.

Look at the graph above and draw horizontal lines across the graph between different segments. For Residents the top scores go to the elements/messages of:

- Safety
- City services/maintenance
- and Location

When talking to present and prospective Residents these are the key messages that need to be communicated. In some cases they may not be as influential for a "prospective" resident seeking a home but they are the ones that Addison delivers on capably and consistently as believed by the current Resident base. This is the conversation your present Resident will have with the potential new homeowner looking at the house/apartment for sale or rent next door.

The second set on the graph are those messages which should be somewhere in the body of your message but are not headlines:

- Restaurants
- Special events
- Parks and Outdoor recreation

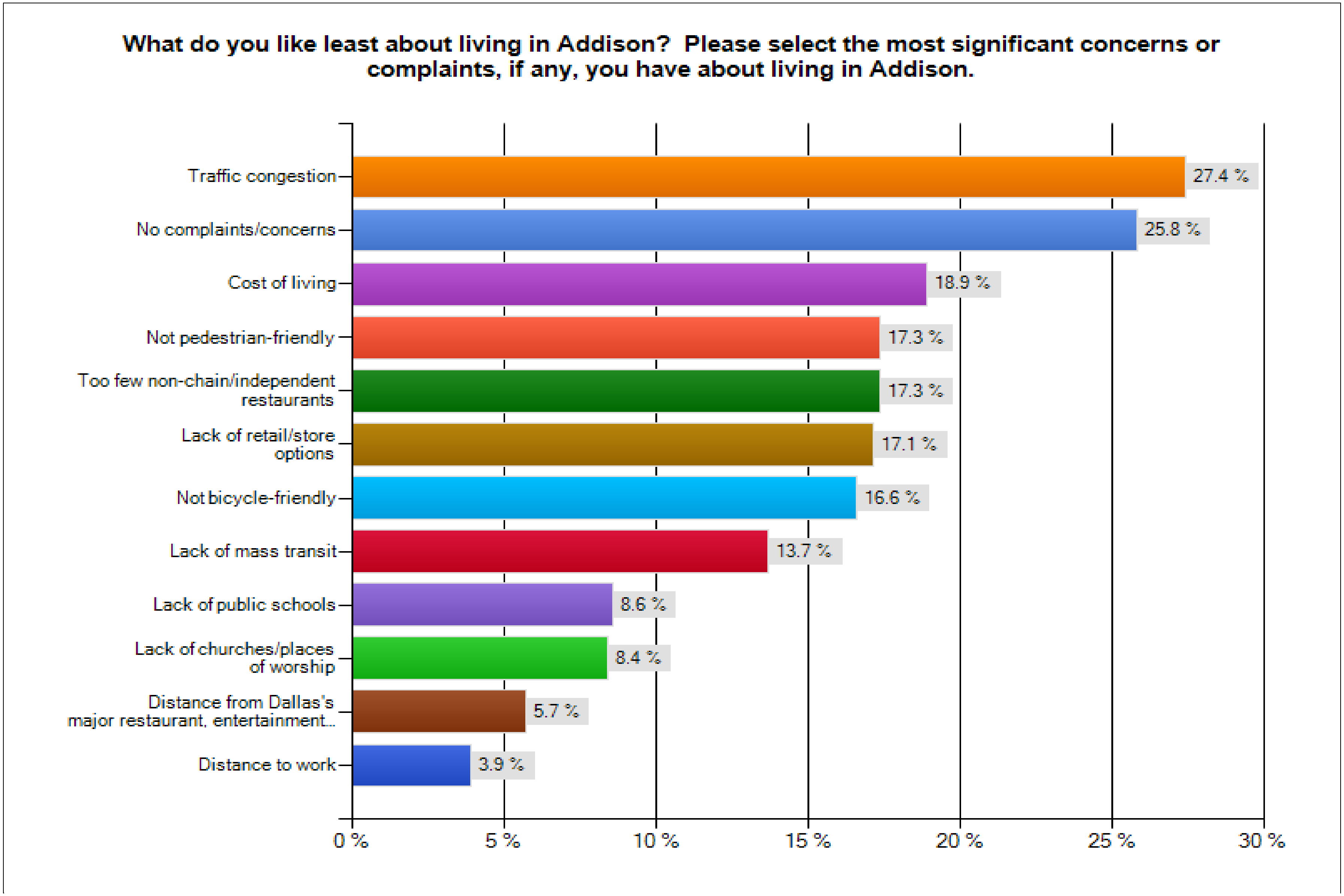
These are important and certainly should be a part of your message but they are just the icing on the cake.

A third group begins with "Proximity to Work" and continues through "Close to Family and Friends". These are negligible attributes – either of minor importance to the target audience or an element on which we fail to deliver on a consistent basis for the majority of the target audience.

The final category is the one in which you must avoid at all costs claiming anything in this category as an attribute. In the case of Addison it is the School situation (which may be of primary importance only to those which children) and the Cost of Living. This finding will appear throughout this report. We did not find a single group that considered Addison to have anything close to a competitive situation when it came to the cost of living.

In the open-ended responses by far the majority of "Likes" (26) was the mention of the Athletic/Fitness Center/Club/Gym.

Q. 7: DISLIKES ABOUT LIVING IN ADDISON – among Residents



Q. 7: SUMMARY ANALYSIS:

As we did on the previous graph do so on this one outlining the Residents' dislikes, their concerns and complaints. By far, the top category and your major challenges are

- Traffic Congestion and
- the Cost of Living

Giving credit where it's due you'll note on the next graph that nearly 60% of these respondents think that the traffic congestion is no worse in Addison than in other areas of Dallas. However, it still remains at the top of their list and they desire fervently that something could be done about it. In this type of situation your most optimal marketing approach is to face it square on and continually update your audience on everything you are and can do about the problem. Do not bring it up on your own but do not avoid responding if the matter arises.

Once again we see the Cost of Living as a major concern. We discuss this further within the context of the next graph showing Addison's scores in relation to other areas of the Metroplex.

The second category starting at "Not Pedestrian Friendly" and ending with "Not Bicycle Friendly" are again in the negligible area – not unimportant but items that are not as important to the majority of the respondents. These areas are on a wish list – something they wish Addison would address but knowing that they are probably far less important versus the other more crucial issues facing towns and cities today.

And the last category, from "Lack of mass transit" thru "Distance to work" are those items driven more by groups of individuals to which these are of major concern – parents with school-age children as an example.

Of the 182 open-ended responses the major mention areas of Dislikes were:

- Smoking in restaurants and bars
- Lack of options: grocery/drug stores; senior citizen complexes; recycling for apartment dwellers; affordable housing
- Taxes: rising tax rates and fees; property taxes; all taxes too high
- Lights: timing on traffic lights; configuration of traffic lights; street lighting

The 25% who report they have no complaints is laudable but is not unusual for consumers reporting on a product they have chosen, be it a car or a place to live. These who are major supporters are very enthusiastic about their support which is extremely positive.

Q. 8: COMPARISONS TO OTHER AREAS - among Residents: Think about other areas and neighborhoods in the DFW Metroplex. Please rate how Addison performs when compared to the other areas with which you are familiar. (For example, how does Addison compare to Richardson, Arlington, Plano, etc.). How does Addison perform versus others in regards to...

- **Strong point of differentiation among those with an opinion:**
- **Weak point of differentiation among those with an opinion:**

PERFORMANCE AREA	WORSE %	THE SAME %	BETTER %	RATING AVERAGE (among those with an opinion)	No Opinion (Highest percent - %)
Fire department	0.5	11.7	**71.2**	3.04	
Local government responsiveness	1.7	13.2	**65.7**	3.03	19.4
Police department	1.3	12.1	**74.8**	2.97	
Special events	1.0	7.6	**86.6**	2.95	
Cleanliness	0.4	11.6	**85.7**	2.90	
Personal safety	1.0	17.0	**78.0**	2.85	
Selection of night-life options	4.0	21.4	**60.5**	2.85	
Public schools	**24.1**	18.1	6.3	2.85	51.5
Selection of restaurants	3.7	15.3	**79.1**	2.79	
Parks and outdoor recreational options	4.6	20.8	**69.3**	2.75	
Places of worship	**29.4**	21.4	4.3	2.65	45.0
Bicycle-friendly	21.8	**31.1**	17.3	2.55	29.8
Mass transit	21.4	**37.2**	12.3	2.49	29.0
Pedestrian-friendly	14.7	37.5	**38.0**	2.43	
Cost of living	20.8	**47.7**	23.5	2.19	
Traffic flow/congestion	17.0	**58.3**	20.3	2.12	
Selection of retail stores	30.5	**40.2**	21.7	2.06	

SUMMARY ANALYSIS:

When analyzing a comparison question you must carefully examine those questions with high “No Opinion” percentages. These areas are generally of greater interest to a smaller segment of your respondent base. They are important but less so than those areas of interest to the majority of respondents.

We see with this graph the same areas of importance that we saw in the “Likes about Addison” chart: “Safety” (fire department, police department, and personal safety), “Cleanliness” (maintenance of the town) and the icing on the cake “Restaurants” and “Special Events”. Once again, among Residents, these are strong points of differentiation.

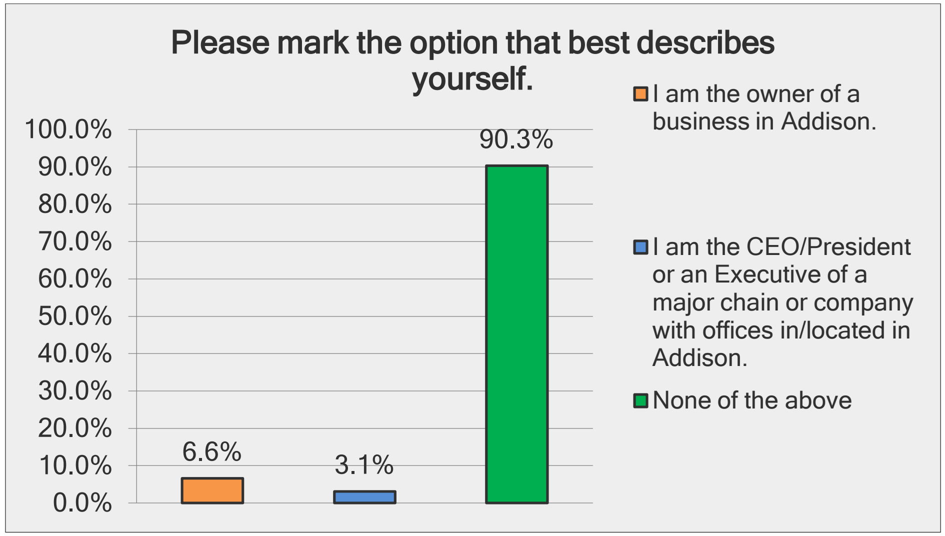
Also once again our major challenge, that of the Cost of Living, arises…, achieving the second highest percent rating in the Worse category when those areas appealing to selected audiences are removed.

New to the discussion is the poor showing of Addison’s selection of retail stores. As we will see later in this report our retail offerings are not a key driver for visitation or a major reason for living in the area despite the proximity of Galleria Dallas.

GROUP III:

EXECUTIVES SUMMARY
(Owners, CEO's, Presidents and Executives of Companies conducting business in the Town of Addison)

Q. 10: OWNER/EXECUTIVE OF A BUSINESS/COMPANY LOCATED IN ADDISON

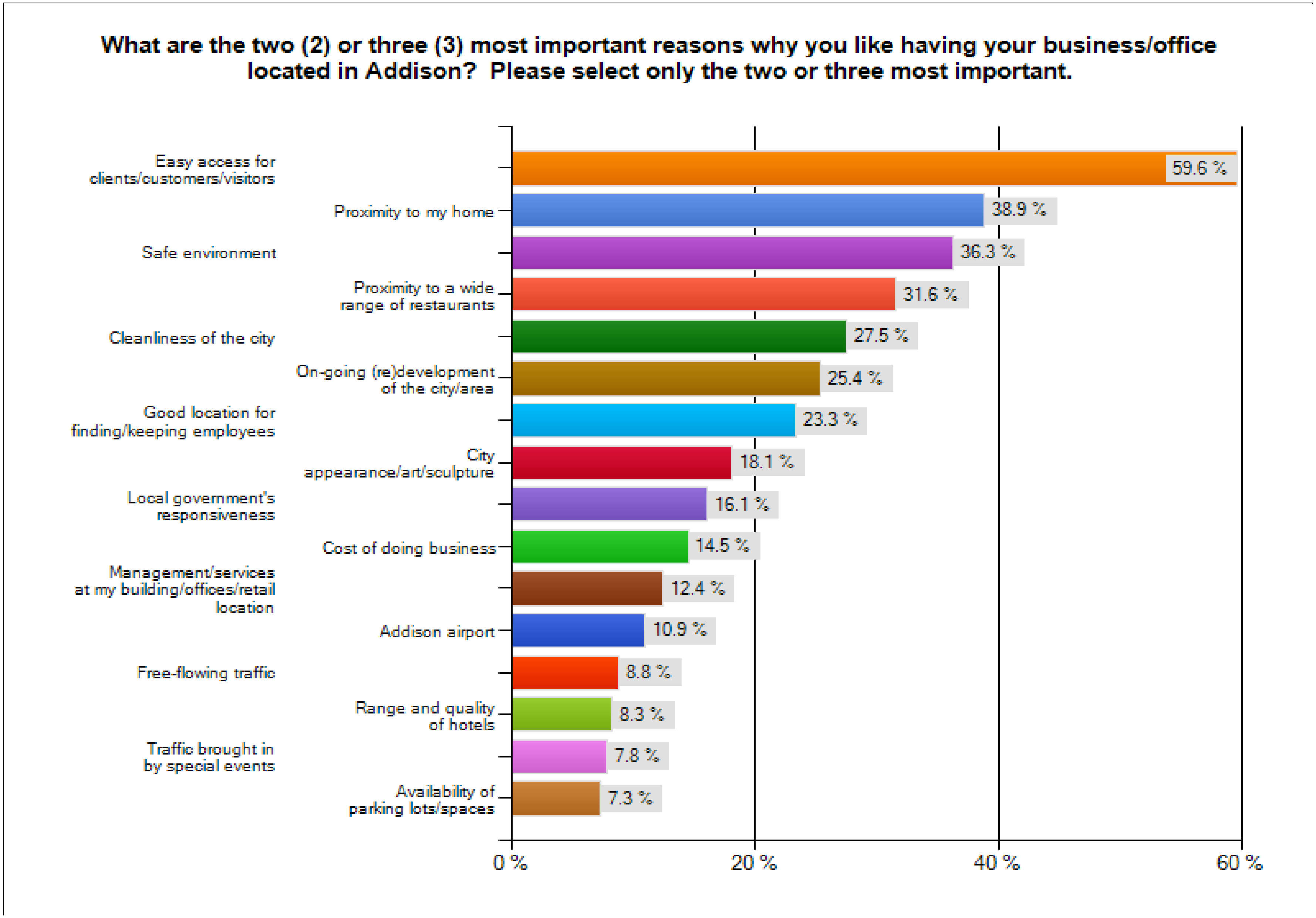


SUMMARY ANALYSIS:

Of the 1,500 businesses operating in Addison we projected that 40% of them are non-chain or non-manager-run operations totaling 600 that are privately-owned or large hotel/major bank chains with GM's or, large companies with hands-on executives. To achieve a 3% Margin of Error and a 95% Confidence Level we projected that we would need 384 Executive respondents. Our final total was 199 giving us a Margin of Error of 4.8% and a Confidence Level of 90%. The Town of Addison agreed to these parameters.

As shown in the demographic break-outs in the first section of this report, this Executive Group had a greater percent Male respondents, skewed much more White/Caucasian and less Hispanic, were much more likely to be Married and have Children, were better Educated and had a much higher HH Income than respondents in any other group.

Q. 13: LIKES ABOUT HAVING A BUSINESS/COMPANY LOCATED IN ADDISON – among Executives



SUMMARY ANALYSIS:

Although in slightly different order we found that respondents in this category had similar responses when it came to their Likes about the Town of Addison. In the case of Executives doing business in the town, needing to show a good face to customers and clients, the priority of their reasons for Likes about the town were:

- Location (easy access for customers and clients – with the added bonus of being near my home)
- Safety
- Client entertainment (selection of restaurants) which was secondary for Residents but still important
- City services/maintenance (Cleanliness)

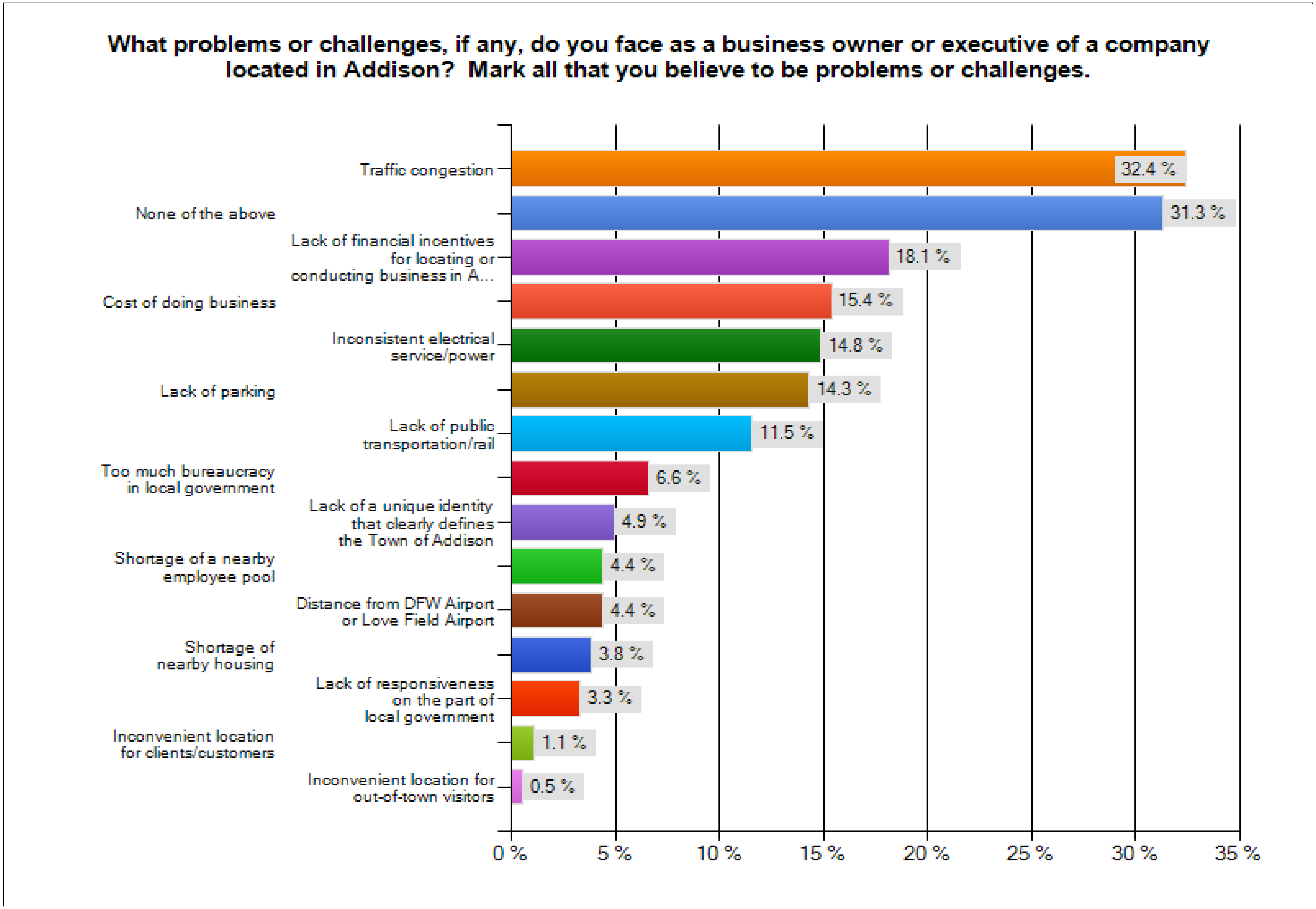
Of lesser importance but areas that should be included in any copy platform directed at the present and prospective member of this target audience are:

- On-going (re) development of the city and area
- Good location for finding/keeping employees

In the third category we see those negligible items and areas in which they consider Addison to be relatively weak or of little importance in regards to conducting business in the town. From “City appearance/art/sculpture” down through the “Addison airport” this group of respondents did not consider any of these to be of major importance to how successful they were as a result of being located in the Town of Addison.

And finally, the last category from “Free-flowing traffic” through “Availability of parking lots/space” the Executives in this group saw either detrimental impact from these items or items that provided very little positive impact on their bottom line.

Q. 14: DISLIKES/PROBLEMS ABOUT HAVING A BUSINESS/COMPANY LOCATED IN ADDISON



SUMMARY ANALYSIS:

It is not unusual when asking a businessman for any complaints he has that his initial responses are going to include the financial challenges he faces. What is unusual is the fact that there is one problem which the vast majority of respondents mention above the financial ones – Traffic Congestion. As we saw with the Residents this is a major hurdle in regards to both enjoying life in Addison and now, in regards to doing business in Addison.

Once again a good percent of respondents have no major complaints. And once again, that is laudable but not unexpected.

The second major group after Traffic is the money one: Lack of Financial Incentives and the Cost of Doing Business. Money was also the key complaint in the open-ended comments especially about the *"$50 annual registration fee which is ridiculous"*.

The third group, Inconsistent Electrical Service, Lack of Parking and Lack of Public Transportation are issues these Executives see as directly impacting their ability to perform in their most effective manner. I would suspect the challenge you face in addressing these issues is probably already something being discussed and analyzed. I would suggest that in terms of your marketing efforts that you continually communicate with this group and keep them updated on how exactly you are trying to solve these problems.

The last group from Too Much Bureaucracy down through Inconvenient Location for Out-of-Towners received very low percentages from these Executives so I don't believe any of them should be of immediate concern. Even when adding the percentages for Too Much Bureaucracy (6.6%) and Lack of Local Government Responsiveness (3.3%) the less than 10% result is not worrisome.

Q. 15: ADDISON SERVICES/AMMENITIES RATED BY EXECUTIVES OF A BUSINESS/COMPANY LOCATED IN ADDISON

As the owner or executive of a business in Addison how do you rate the Town of Addison on the following services and amenities?

- **Strong point of differentiation among those with an opinion:**
- **Weak point of differentiation among those with an opinion:**

PERFORMANCE AREA	Needs Improvement %	Average %	Above Average %	Rating Average (among those with an opinion)	No Opinion (Highest percent - %)
Garbage collection	3.9	**31.5**	20.2	3.05	44.4
Fire department	1.7	15.6	**66.7**	2.97	
Caliber/quality of local government officials/employees	3.4	27.5	**47.2**	2.86	21.9
Commitment to strategic/long-range planning by city-decision makers	5.6	24.4	**48.9**	2.86	21.1
Cleanliness	1.1	17.8	**79.4**	2.82	
Quality and appearance of buildings/structures and landscaping	1.1	20.2	**75.8**	2.80	
Police department	5.0	18.9	**71.1**	2.76	
Ad Valorem tax rate	7.9	**43.8**	13.5	2.75	34.8
Availability of housing for employees	9.6	**45.8**	19.8	2.60	24.9
Effective communication/engagement from the Town	11.7	32.8	**43.3**	2.56	
Being bicycle-friendly	21.8	**33.5**	12.8	2.55	31.8
Mass transit/rail	26.3	**33.0**	12.3	2.43	28.5
Parking availability	15.8	**43.5**	34.5	2.31	
Being pedestrian-friendly	19.8	**45.2**	22.6	2.28	
Level of traffic congestion	37.8	**50.0**	11.1	1.76	

SUMMARY ANALYSIS:

We need to first look at those areas which high percentages of No Opinion. These are areas that either do not directly affect certain respondents or are matters of little interest to them in regards to conducting their business. Some of the largest percentages in the Average category are also areas that received high percentages of No Opinion.

In terms of key differentiators we continue to see these two items over and over again as being Addison's exceptional qualities:

- Cleanliness
- City Services (police, landscaping along with the fire department at a marginally good percentage)

In regards to those items that continue to negatively impact how you are perceived by target audiences the Traffic Congestion continues to be a sore spot.

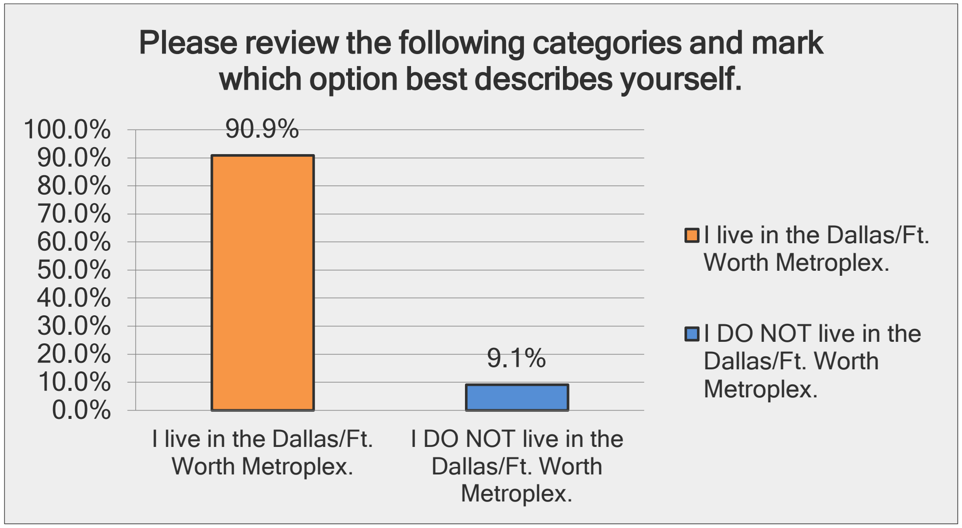
The low score for being Pedestrian-friendly should be examined further as this area can be impacted as much by traffic congestion and lights as by the availability of sidewalks. This may also be driven by the fact that these Executives rated the Shops at Legacy extremely high later in this report with a good percentage talking about the "walkable" environment.

SECTION IV:

VISITORS SUMMARY

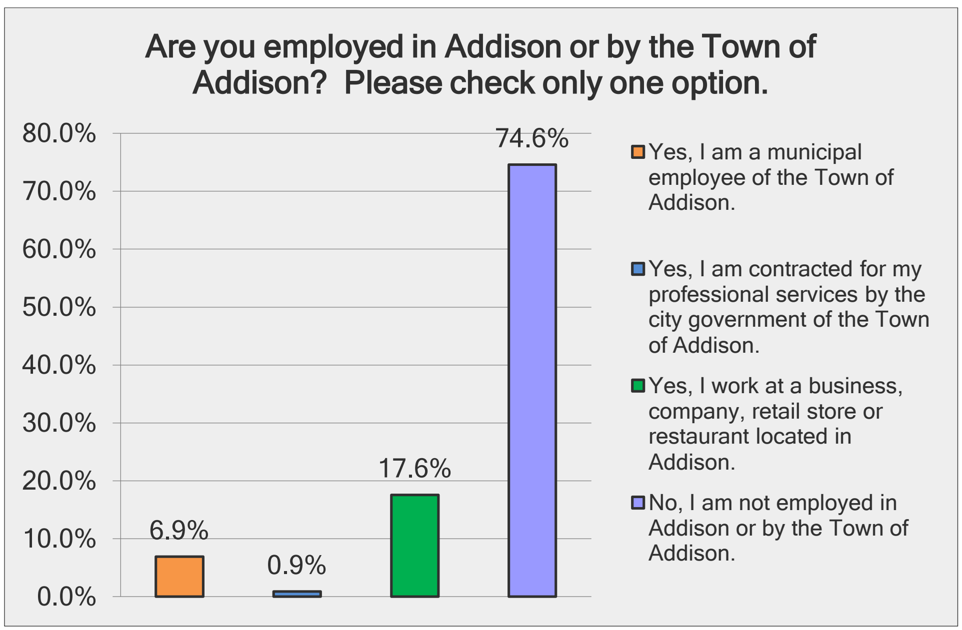
1. Employees of Addison businesses/companies
2. Visitors coming from within the DFW Metroplex
3. Visitors coming from outside the DFW Metroplex

Q. 9, 11, 12 & 16: VISITOR PROFILE



We included in our Visitor grouping those respondents who came to Addison to work – Employees – and those Visitors coming for multiple reasons that either came from within the DFW Metroplex or traveled in from outside the Metroplex.

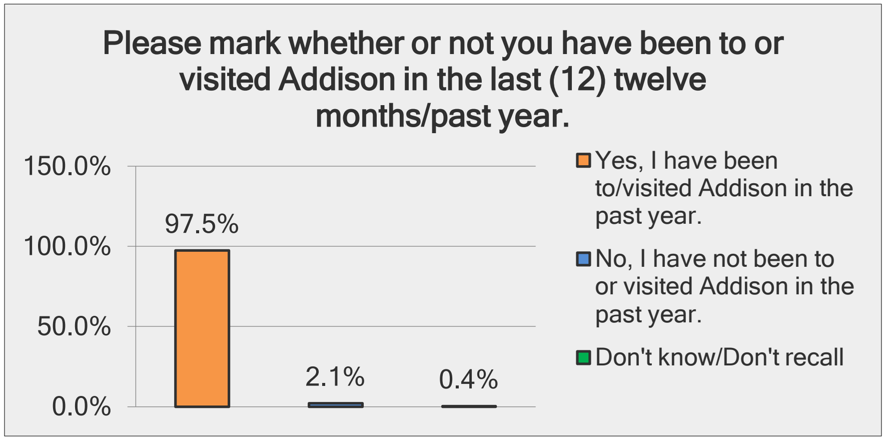
Employees totaled 730 achieving a Margin of Error of 3% at a 90% Confidence Level. DFW Visitors totaled 2,059 equaling a 3% Error Margin and 95% Confidence Level. And Non-DFW Visitors totaled 207 which gave us a 5.7% Error Margin and 90% Confidence Level.



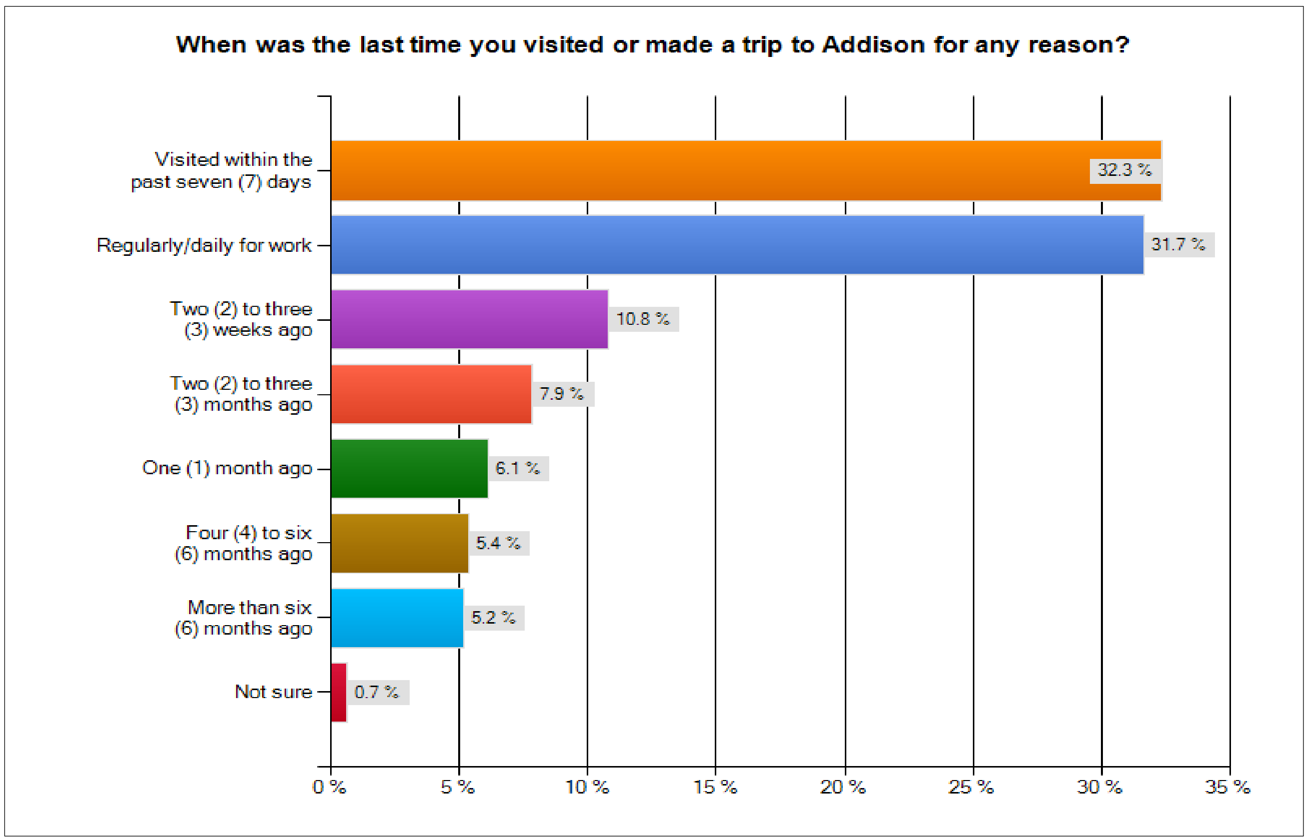
We asked this question not only to identify those non-Resident respondents who were employed by the Town of Addison but also to identify non-Resident Employees who were coming into Addison from elsewhere in the Metroplex.

Interestingly, only 469 respondents answered in the affirmative as being employed at a business, company, retail store or restaurant located in Addison. But on Q.16 a total of 624 stated they came in daily for work. And finally, our 730 total Employees were those who gave the 75001 zip code as their place of employment.

There could be several reasons for this – some might consider a non-profit not to be a business, some may be domestics working in a household, some may be consultants with clients throughout the Metroplex. By cross-tabbing our results we were able to capture all persons we considered to be Employees.

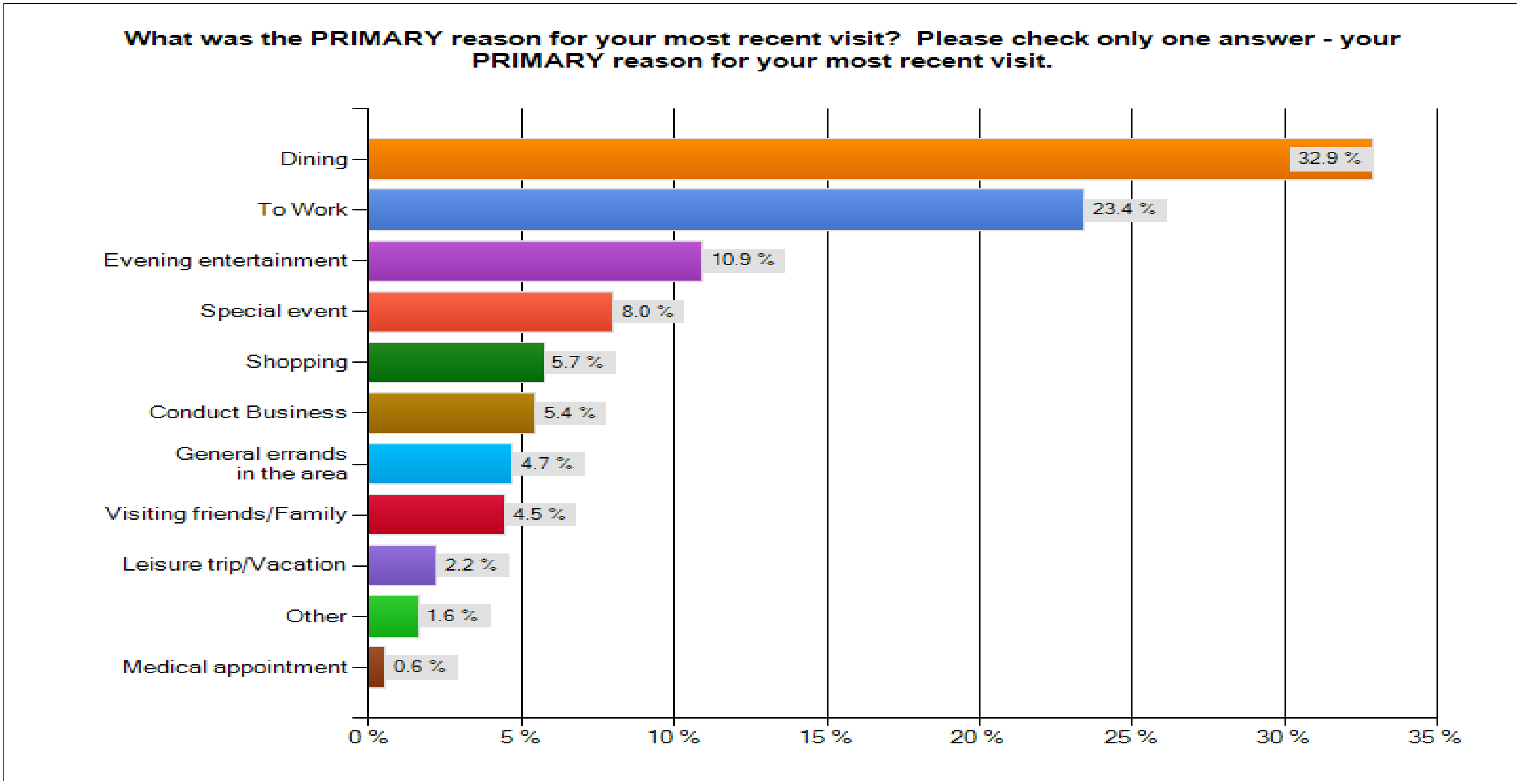


All of those who responded they had not been to Addison in the past year or didn't know or recall were eliminated from the survey.



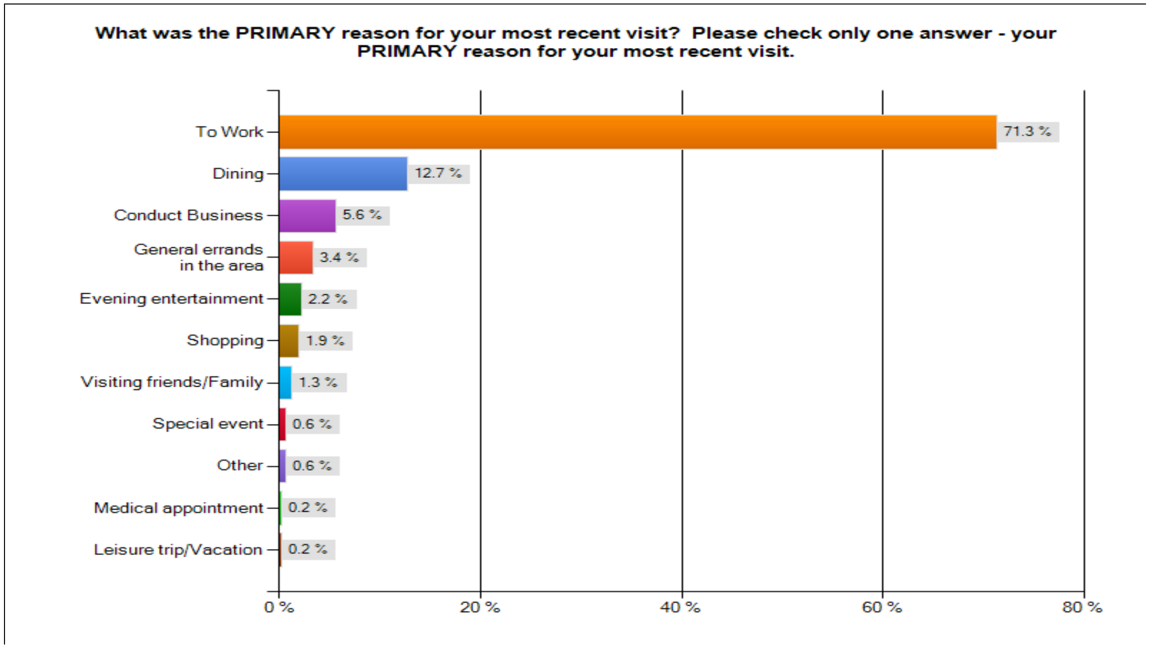
Nearly 50% of respondents had visited Addison within the past 30 days (not including the Employees who come daily).

ALL VISITORS: Employees, DFW Visitors, Non-DFW Visitors



By far the greatest reasons for visiting Addison among these Respondents – the key drivers – were for Dining and Evening Entertainment (43.8%). These drivers are the primary reason we see Addison being described as “fun” – something that was mentioned consistently by the Town’s stakeholders during the interviews. (The Town’s Special Events received a small sample primarily as we asked about their most recent visit.)

On the next few pages we will see that over 30% of respondents have been to at least one of Addison’s special events but among that number 40% of them have not been to Addison in four months or more. Special Events can and do drive visitation and are well-received but they should be a supporting character not the hero, which appeared to be consistent with the views expressed in the stakeholder interviews.



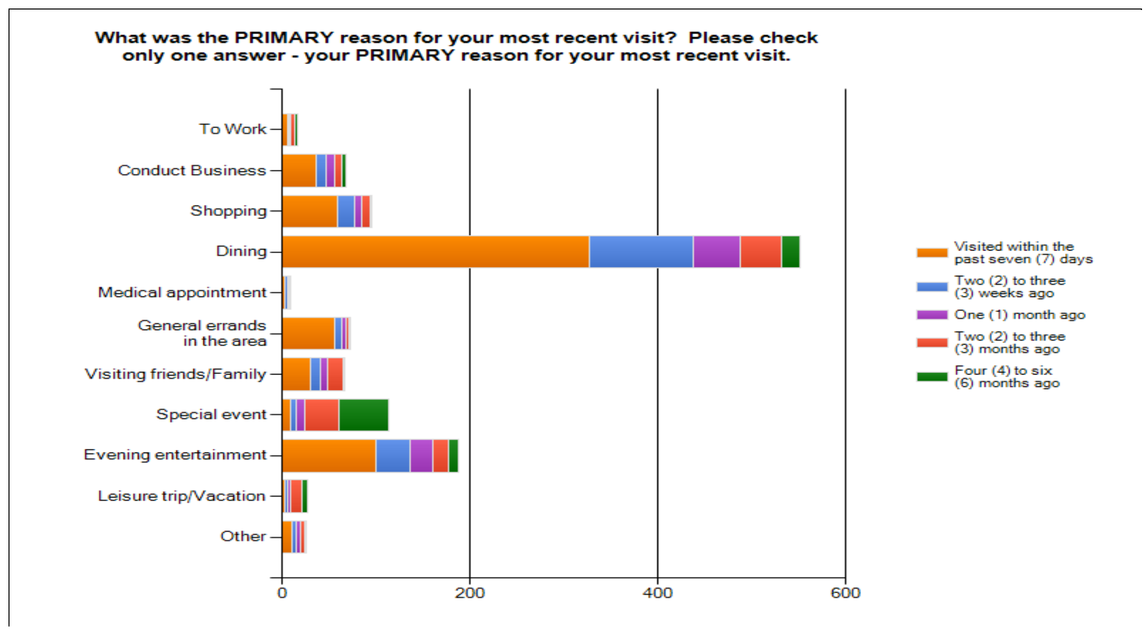
EMPLOYEES: When we broke out the Employees group from other Visitors the work-related reasons became the key drivers. But even with this group Dining remains at the top as a major reason for visitation.

NOTE: we've broken out the Visitors who haven't been to Addison in the last six months as an Infrequent group as they represent less than 5% of the total respondent base.

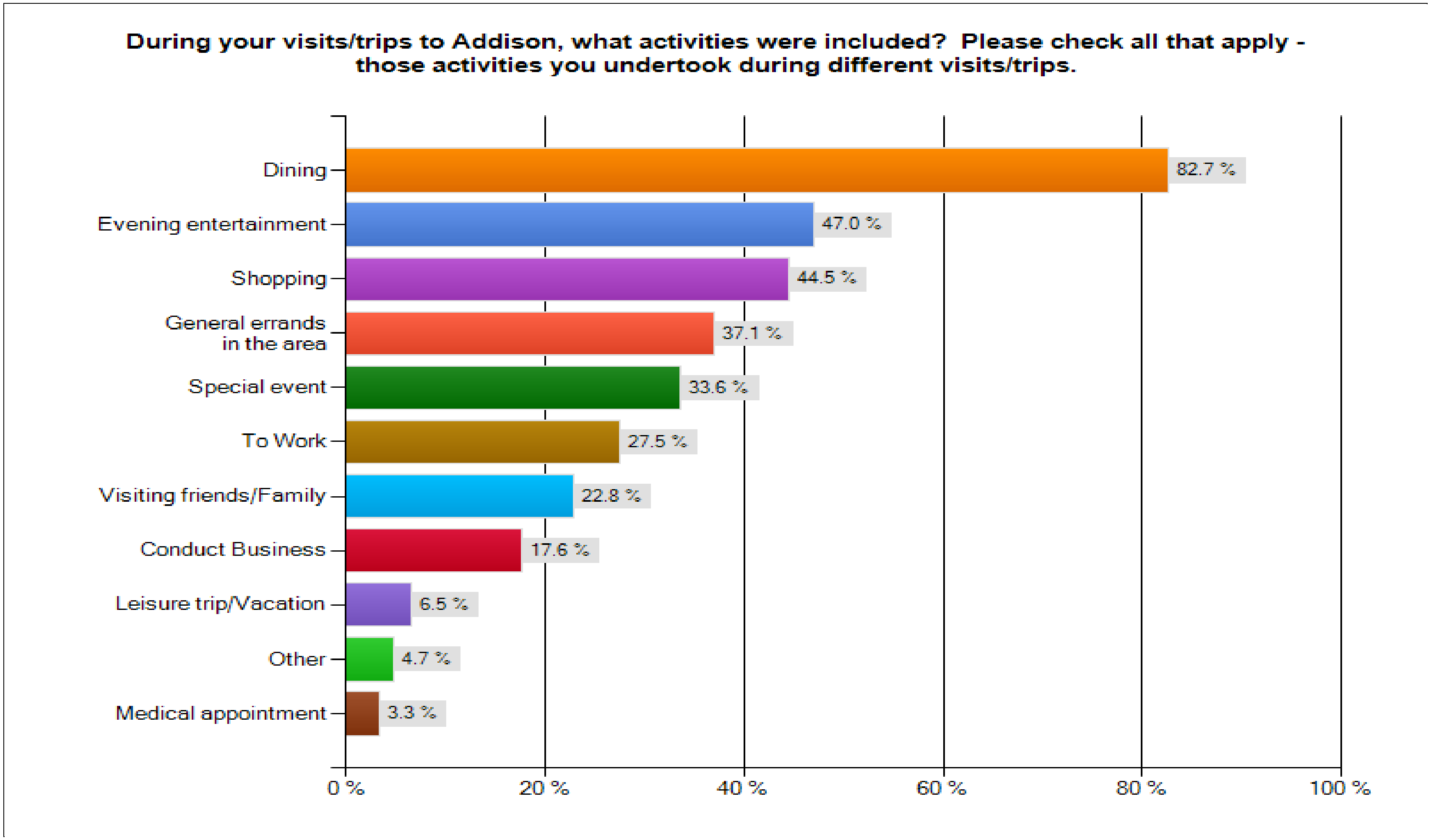
ALL OTHER VISITORS: Among Visitors who do not work in Addison (both DFW and non-DFW visitors) Dining (44.8%) and Evening Entertainment (15.3%) continue as key drivers for visitation.

Less than 10% (9.3%) of Visitors who have come to Addison in the past six months came specifically for a Special Event, about equal to Shopping (7.8%). Among Shoppers, 88.4% have returned within the past thirty days.

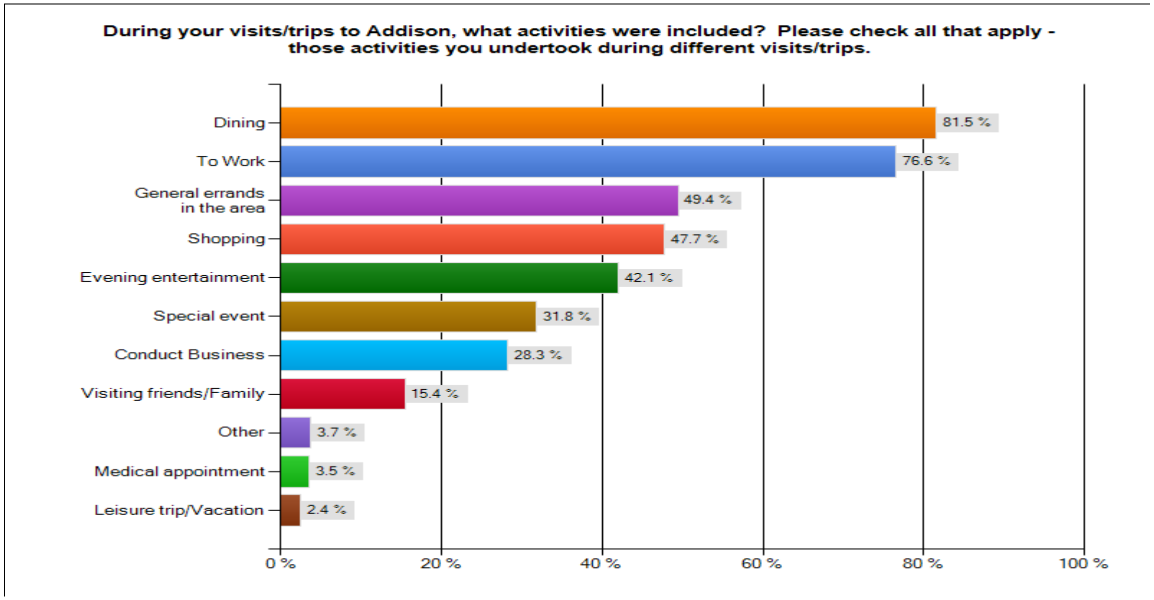
Sixty percent (60.1%) of these Visitors come primarily to Dine or enjoy a Night Out.



ALL VISITORS: Employees, DFW Visitors, Non-DFW Visitors

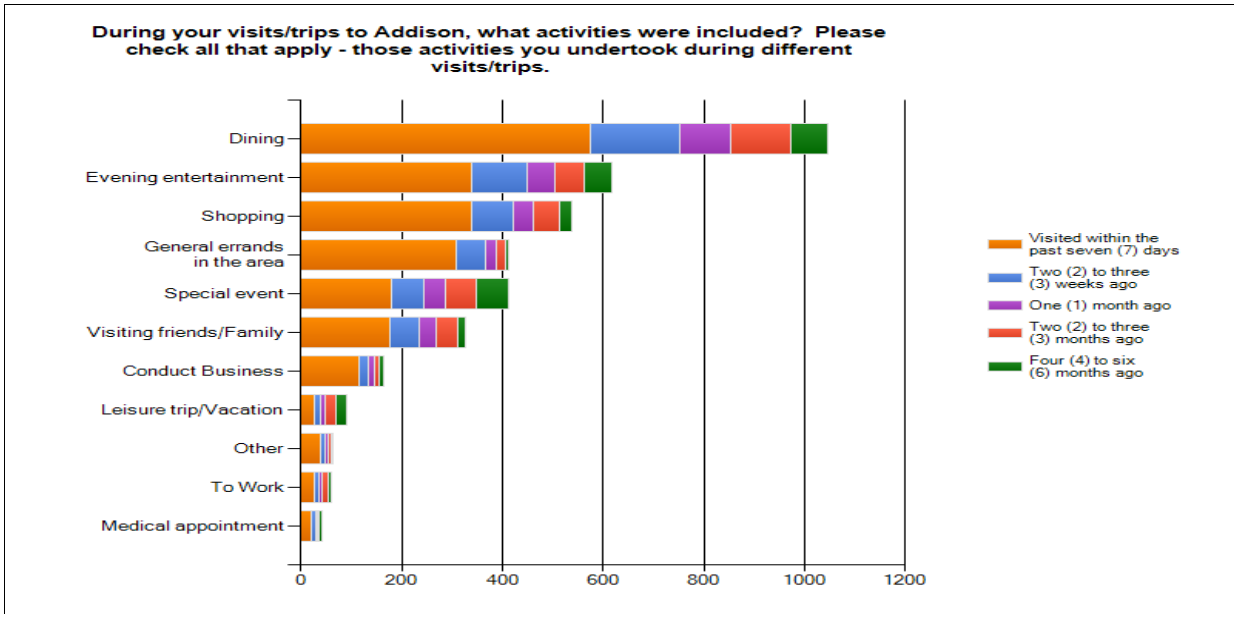


After asking about the Primary reason for visiting Addison, we asked all Visitors to list ALL of the activities undertaken on all of their trips. Over 80% Eat while they're here, nearly 50% have spent a Night Out at some point and 44% have done some Shopping although we can't be positive about the type of shopping – buying a new pair of shoes or picking up something for dinner on the way home. Based on findings elsewhere in this report a big piece of this 44% is more about convenience than destination shopping.



EMPLOYEES: Versus All Visitors the Employee group does not differ significantly from the total category findings except of course in the areas of work and conducting business.

ALL OTHER VISITORS: the only major differences we saw in this respondent group were a higher percent in the Evening Entertainment (50.3%) category and a lower percent (33.6%) in the General Errands category.



Q. 19: OBSERVATIONS/OPINIONS ABOUT THE TOWN OF ADDISON: Think about the trips/visits you make/have made to Addison. What are your observations and opinions about the town and area? Please indicate the extent to which you personally agree or disagree with how well each of the following statements describes Addison based on your experiences and visits.

- **Strong point of differentiation among those with an opinion:** (yellow)
- **Weak point of differentiation among those with an opinion:** (red)

DESCRIPTIVE AREA	Disagree %	Neither Agree nor Disagree %	Agree %	No Opinion (highest percent - % or negligible)
I find the town to always be very clean.	0.8	5.4	92.0	----
I can always find a restaurant I like in Addison.	1.8	4.7	91.2	----
I feel safe when visiting Addison.	1.1	5.9	91.0	----
Addison is a fun place to visit.	1.1	7.7	89.1	----
Addison has many live entertainment and nightlife options.	2.4	9.4	79.9	----
I believe that Addison would be a good place to live.	5.0	14.3	74.2	----
It's very easy and quick to drive/commute/travel from my starting point to my destination in Addison.	10.3	13.8	73.6	----
There is a good selection of hotels for visitors to Addison.	2.0	10.5	73.2	14.3
There is a good variety of retail and shopping options in Addison (other than Galleria Dallas.)	9.9	20.0	64.1	----
I like that Addison has so many parks and public art.	2.6	21.9	61.3	14.2
Their special events are a major reason for my visiting Addison.	11.5	23.9	59.8	----
Parking in Addison is easy and convenient.	14.6	23.2	59.6	----
Addison is a good place to work.	0.8	15.2	51.2	32.9
Addison has less traffic congestion than other areas of Dallas.	30.2	38.2	27.8	----
I prefer the restaurants in other Dallas areas versus those in Addison.	40.9	41.6	13.1	----

SUMMARY ANALYSIS:

The findings highlighted in this table reiterate the key points of differentiation we've found throughout this study:

- Cleanliness of the Town
- Safety
- Restaurants, Nightlife, fun

The areas where we are weakest have also shown up in the findings in other areas of this report and should not be considered strong point of differentiation:

- Parking
- Traffic Congestion
- Less than Desirable Shopping and Retail

The ratings for Special Events reaffirms that these are important but not key points of differentiation, simply an added bonus for the target audience.

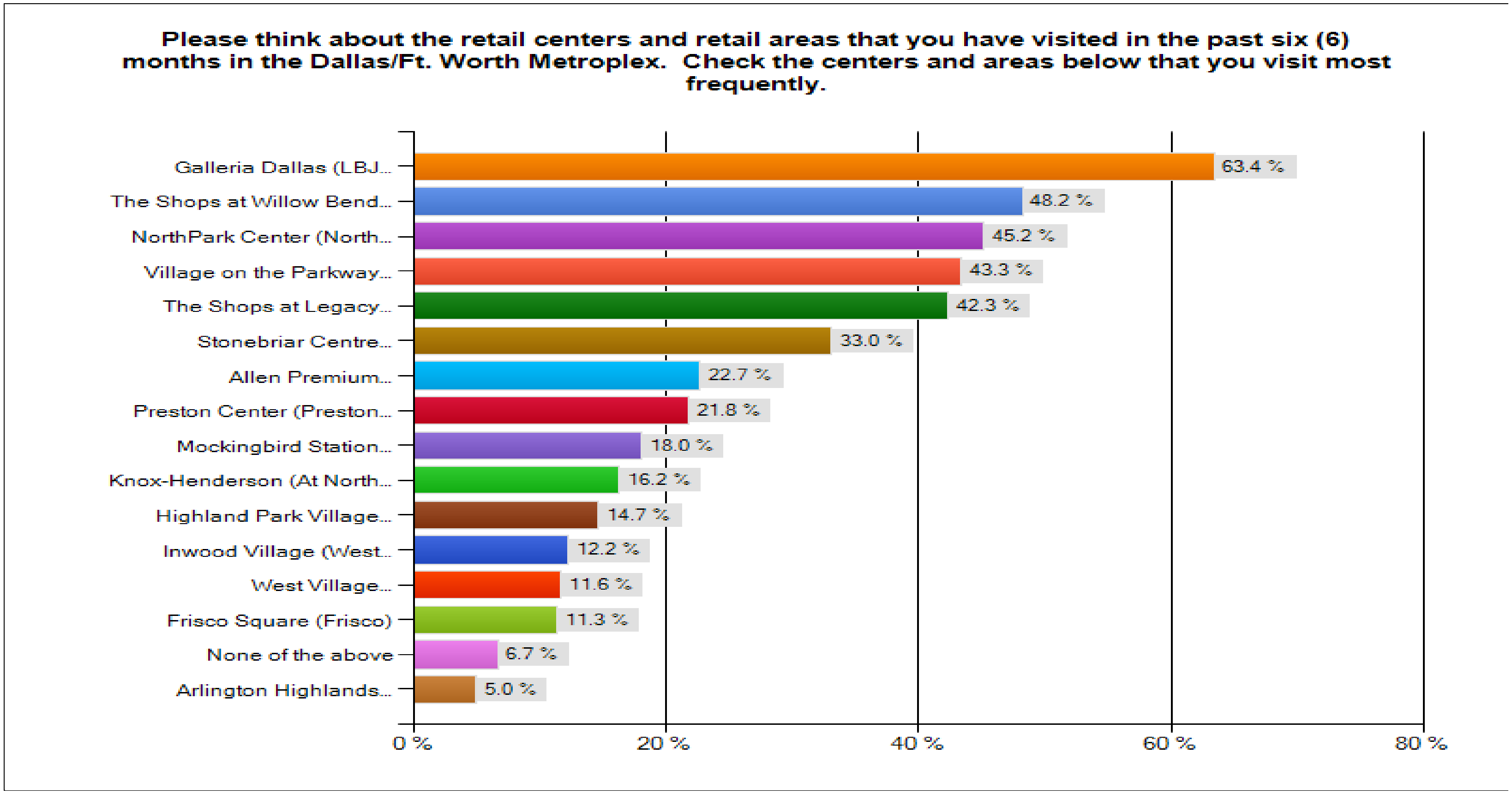
It's the ratings for the Restaurant area that raises some concern. Nearly 55% of these Respondents don't view Addison's restaurants as anything special ("I prefer the restaurants in other Dallas areas" category). This is further confirmed later in this report when we see the high levels of visitation to other restaurant areas in the PTA by respondents. Is the 91.2% rating for "I can always find a restaurant I like in Addison" more about the high number of restaurants and convenience/proximity to work and home?

This will be further explored in the remaining sections of this report.

SECTION V:

ALL RESPONDENTS

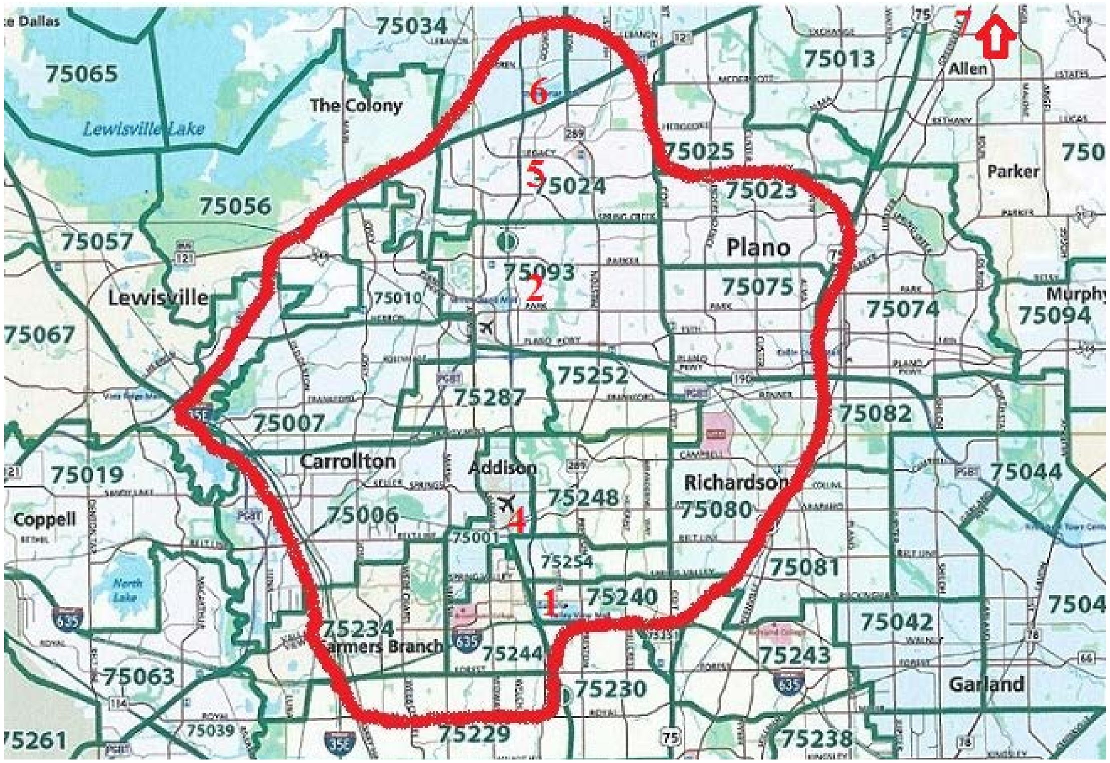
Q. 20: VISITATION TO DFW RETAIL AREAS: All Respondents



RETAIL CENTER/AREA (sorted according to favored retail area of all respondents)	RESIDENTS	EMPLOYEES	EXECUTIVES	VISITORS
Galleria Dallas	76.9% (1)	55.2% (1)	66.9% (1)	59.1% (1)
The Shops at Willow Bend	52.5% (2)	49.3% (2)	58.6% (2)	45.7% (3)
NorthPark Center	47.6% (4)		45.3% (5)	48.5% (2)
Village on the Parkway	48.6% (3)	48.9% (3)	55.2% (3)	38.3% (5)
The Shops at Legacy	39.6% (5)	44.6% (4)	52.5% (4)	45.2% (4)
Stonebriar Centre		42.4% (5)		

1. Galleria Dallas
2. **The Shops at Willow Bend, Plano**
3. **NorthPark Center, Dallas**
4. Village on the Parkway, Addison
5. **The Shops at Legacy, Plano**
6. **Stonebriar Centre, Frisco**
7. **Allen Premium Outlets, Allen**

North of the PTA: Allen Premium Outlets, Frisco Square



South of the PTA: NorthPark Center, Preston Center, Mockingbird Station, Knox-Henderson, Highland Park Village, Inwood Village, West Village.

SUMMARY ANALYSIS:

In the past six months the total respondent base visited on average 4.1 retail centers or areas. Five of the top six centers/areas are all located in Addison's Primary Trading Area. The third most visited center – NorthPark – was the only one of the top six centers not located in the PTA.

Despite the fact that Galleria Dallas received the greatest percentage of visitation, the loyalty to one super center or mall no longer exists as consumers have become much more demanding and more willing to visit numerous areas to find their favorite stores and shops.

Q. 21: REASONS FOR VISITATION TO PREFERRED RETAIL AREA: Please list below the one shopping center/area that you visit most frequently and in as few words as possible state why you visit this center/area so frequently.

PREFERRED RETAIL AREA/CENTER VISITED MOST FREQUENTLY:

Of the 2,841 open-ended responses to this question all of the listed shopping areas were mentioned one or more times with the top areas being:

- Galleria Dallas: 526 respondents visit the Galleria most frequently
- The Shops at Willow Bend: 365 respondents favored Willow Bend
- NorthPark Center: 300 respondents listed NorthPark as their favorite
- The Shops at Legacy: 120 respondents visit the Shops at Legacy most often – a slightly greater number than the Village on the Parkway received despite the Village coming in ahead in the overall responses to Question 20
- Village on the Parkway: 102 respondents visit here most frequently
- Stonebriar Centre: 79 respondents shop Stonebriar more frequently

Many of the responses did not even mention a specific center or area but instead listed reasons for visiting an un-named one. Of all of the reasons listed, two responses clearly were key drivers for visitation to nearly all of the centers and areas listed. Almost all of the centers and areas mentioned included these two top reasons among the reasons for visitation.

- **Convenience**: 820 responses (“close to home”, “close to work”, “convenient to home”, “close to where I live”, “next to where I work”)
- **Favorite Stores/Shops**: 693 responses (“has my favorite department store”, “has my favorite stores/shops”, “has the shops I like”)

KEY REASONS FOR VISITATION TO PREFERRED CENTER:

When we looked at the key reasons for visitation to their favored choice, we found varying reasons for visitation to specific centers and areas. We’ve listed the top two or three major reasons for each center below. In all cases “Convenience” and “Has by Favorite stores/shops” were listed but we have only included these on those centers which received few other reasons listed for visitation or if it was a significant factor.

1. **Galleria Dallas:**
    - Lots of stores/choices/shops: “one stop shopping”, “every store you want in one place”, “lots of stores”, “has the most stores”
    - Widest Variety of stores/shops: “has everything you want”, “best variety and choices of stores”, “many different options”
2. **The Shops at Willow Bend:**
    - Has Specific and Favorite stores/shops: “has the stores I like”, “has Neiman’s”, “has Apple store and Anthropologie”, “has my favorite stores”
    - Ease of Parking: “parking is never crowded”, “easy to park there”, “no hassle parking”

3. **NorthPark Center:**
   - Has Favorite/Best stores: "has the best stores", "has stores I like", "has stores not available elsewhere", "my favorite stores"
   - Upscale stores/Environment: "more upscale than others", "has better quality selection", "nicer place to shop", "upscale environment"

4. **The Shops at Legacy:**
   - Great Atmosphere/ambiance: "has beautiful scenery/atmosphere", "it's like urban living", "pedestrian-friendly", "cool, hip"
   - Non-smoking: "it's like Addison without the smoke", "restaurants are non-smoking"
   - Restaurant choices: "has restaurants and bars Addison lacks", "neat choice of restaurants", "best restaurants"

5. **Village on the Parkway:**
   - Convenient: "close to home", "close to work"
   - Restaurants: "more for dining than for shopping", "good lunch choices", "nice restaurant options"

6. **Stonebriar Centre:**
   - Convenient: "close to home", "nearby", "it's convenient"
   - Parking: "has lots of parking"

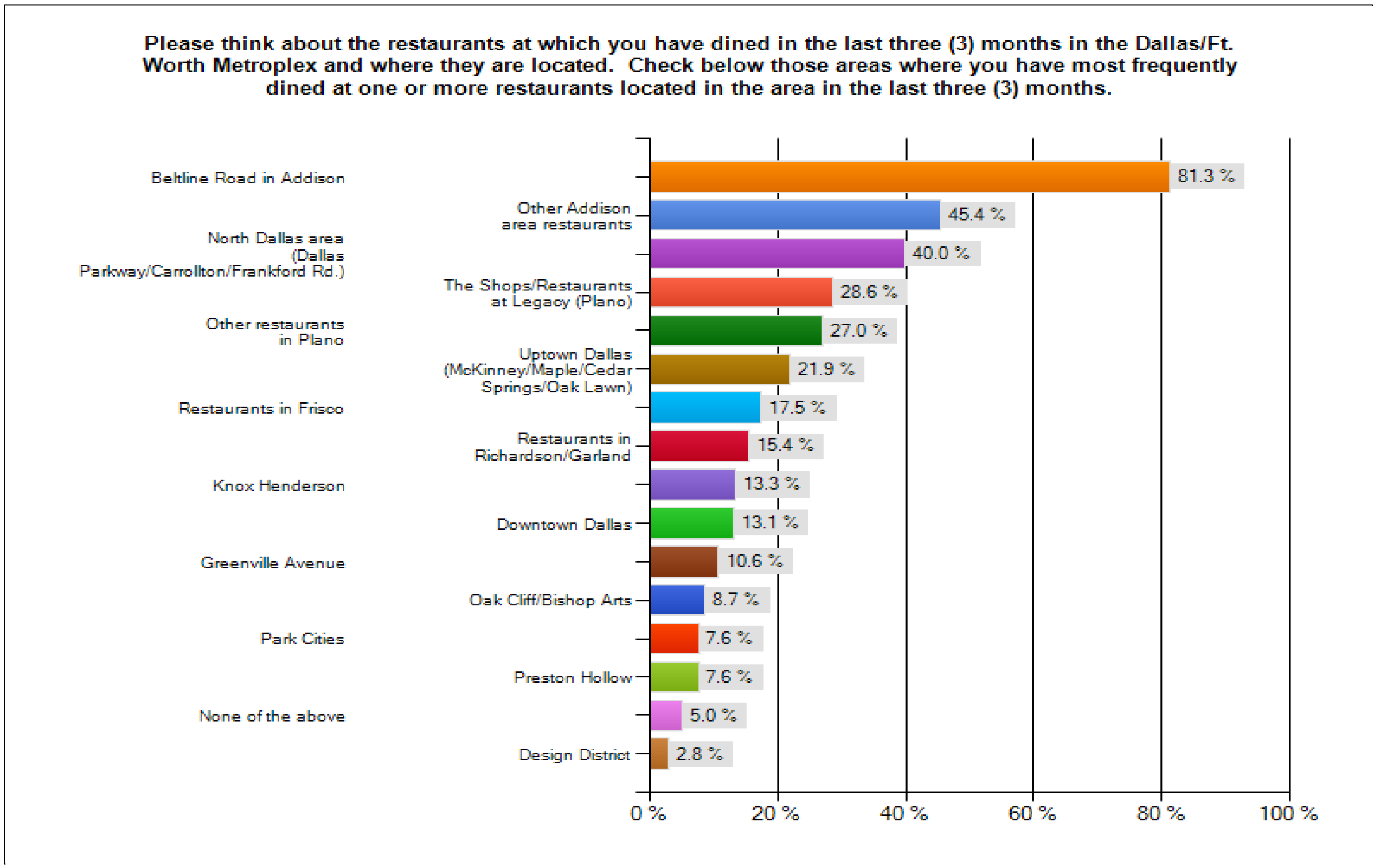
SUMMARY ANALYSIS:

Two major points to note here are the concentration of restaurant comments in regards to the Shops at Legacy…particularly the non-smoking comments versus Addison…and the concentration of restaurant comments for Village on the Parkway. It is unusual for so many restaurant comments to surface when respondents are being asked specifically about retail.

The Shops at Legacy appear to be driven more by the interesting ambiance and atypical restaurants while Village on the Parkway appears to be more driven by convenience.

Galleria Dallas has the clout of having so many stores and offering huge variety while the Shops at Willow Bend wins in terms of offering our target audiences the unique, favored stores they seek.

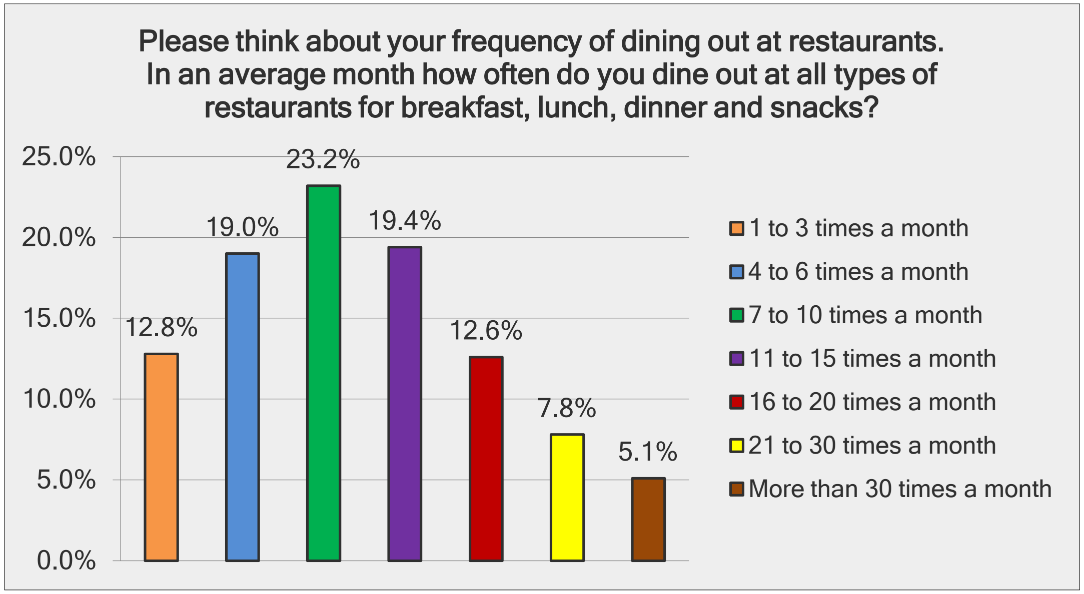
Q. 23: VISITATION TO DFW RESTAURANT AREAS



RESTAURANT AREA (sorted according to favored restaurant area of all respondents)	**RESIDENTS**	**EMPLOYEES**	**EXECUTIVES**	**VISITORS**
Beltline Road in Addison	91.6% (1)	87.1% (1)	86.7% (1)	75.8% (1)
Other Addison area restaurants	57.7% (2)	52.8% (2)	55.0% (2)	33.2% (4)
North Dallas Area (Prkway/Frankford)	35.9% (3)	43.9% (3)	51.1% (3)	44.1% (2)
The Shops/Restaurants at Legacy	26.9% (4)	29.7% (4)	40.6% (4)	29.9% (5)
Other restaurants in Plano		29.2% (5)	36.1% (5)	33.9% (3)
Uptown Dallas (McKinney/Maple/Oak Lawn)	22.9% (5)			

SUMMARY ANALYSIS:

As shown in the graph below, our Respondent base dines out on average 3.25 times per week (13 times per month). This is slightly less than the average American consumer who dines on average 4.8 times per week (19.2 times per month). Lunch is the most popular dining out occasion with an incidence among consumers of 2.6 times per week.



Among our Respondent base the restaurants on Beltline and in Addison are by far the primary dining out destinations. However, as pointed out in the results from the next question Convenience plays the biggest part in this choice.

Our Executives and Visitors have the most non-Addison visitation, exploring farther out and more often to the other restaurant areas mentioned.

Overall, our respondent base has visited more than three of these restaurant areas in the past three months.

Q. 24: REASONS FOR VISITATION TO PREFERRED RESTAURANT AREA: Please list below the restaurant area that you visit most frequently and in as few words as possible state why you visit this restaurant area so frequently.

Of the 2,767 open-ended responses to this question all of the listed restaurant areas were mentioned one or more times with the top areas being:

- Beltline Road in Addison: 666 respondents visit the restaurants on Beltline Road most frequently
- Other Addison area restaurants: 105 respondents favored restaurants elsewhere in Addison
- Shops/Restaurants at Legacy: 96 respondents listed the Legacy restaurant area as their favorite
- North Texas area (Prkwy, Carrollton): 95 respondents visit the restaurants in this area most often

Many of the responses did not even mention a specific area but instead listed reasons for visiting a specific restaurant or two most often. These responses were most often tied to one of three reasons:

- It has Good Food: 131 responses with varying restaurants mentioned
- It has Great Food: 152 responses with varying restaurants mentioned
- It has a Good/Great Happy Hour: 142 responses with varying restaurants mentioned

The top restaurants mentioned included: Blue Goose, Flying Saucer, Taco Diner, Olive Garden, Thai Star, Blue Mesa and Flying Fish.

Of all of the reasons listed, one major response was clearly a key driver for visitation to nearly all of the restaurants and areas listed.

- **Convenience**: 818 responses (“close to home”, “close to work”, “convenient to home”, “close to where I live”, “next to where I work”)

KEY REASONS FOR VISITATION TO PREFERRED RESTAURANT AREA:

1. **Beltline Road in Addison:**
    - Convenience: “close to home”, “close to my work”, “closest options for lunch”, “convenient”
    - Variety: “lots of choices”, “multiple cuisine choices”, “wide variety of restaurants”

2. **Other Addison Area Restaurants:**
    - Convenience: “close to my business for lunches”, “close to home”
    - Variety: “wide assortment in Addison”, “lots of variety around”, “can find different types of restaurants nearby”

3. **Shops/Restaurants at Legacy:**
    - Contemporary/Independent Restaurants: “chef-driven concepts”, “hip restaurants”, “independent, non-chain restaurants”
    - Walkable area: “can walk from place to place”, “easy to walk around”, “no driving to get from one to the other”
    - Nice Atmosphere: “love the overall vibe”, “great atmosphere”, “cool outside dining”

4. **North Dallas Area (Parkway, Carrollton, Frankford):**
    - Convenience: “nearby”, “close to home”, “close to work”
    - Non-smoking: “restaurants are non-smoking”
    - More Independents: “more locally-owned restaurants”, “good selection of Mom and Pops”, “more independents”

5. **Uptown Dallas:**
    - Independent, chef-owned restaurants *("friends and family generally decide against dining in Addison because of the chain restaurants"*)
    - Can walk to many places
    - Non-smoking

6. **Frisco**
    - Lots of choices; many restaurants; great variety
    - Convenience
    - Non-smoking

7. **Richardson/Garland**
    - Good ethnic choice; great Chinese
    - Convenience

8. **Knox/Henderson**
    - Non-chain independent restaurants
    - Non-smoking
    - Patios

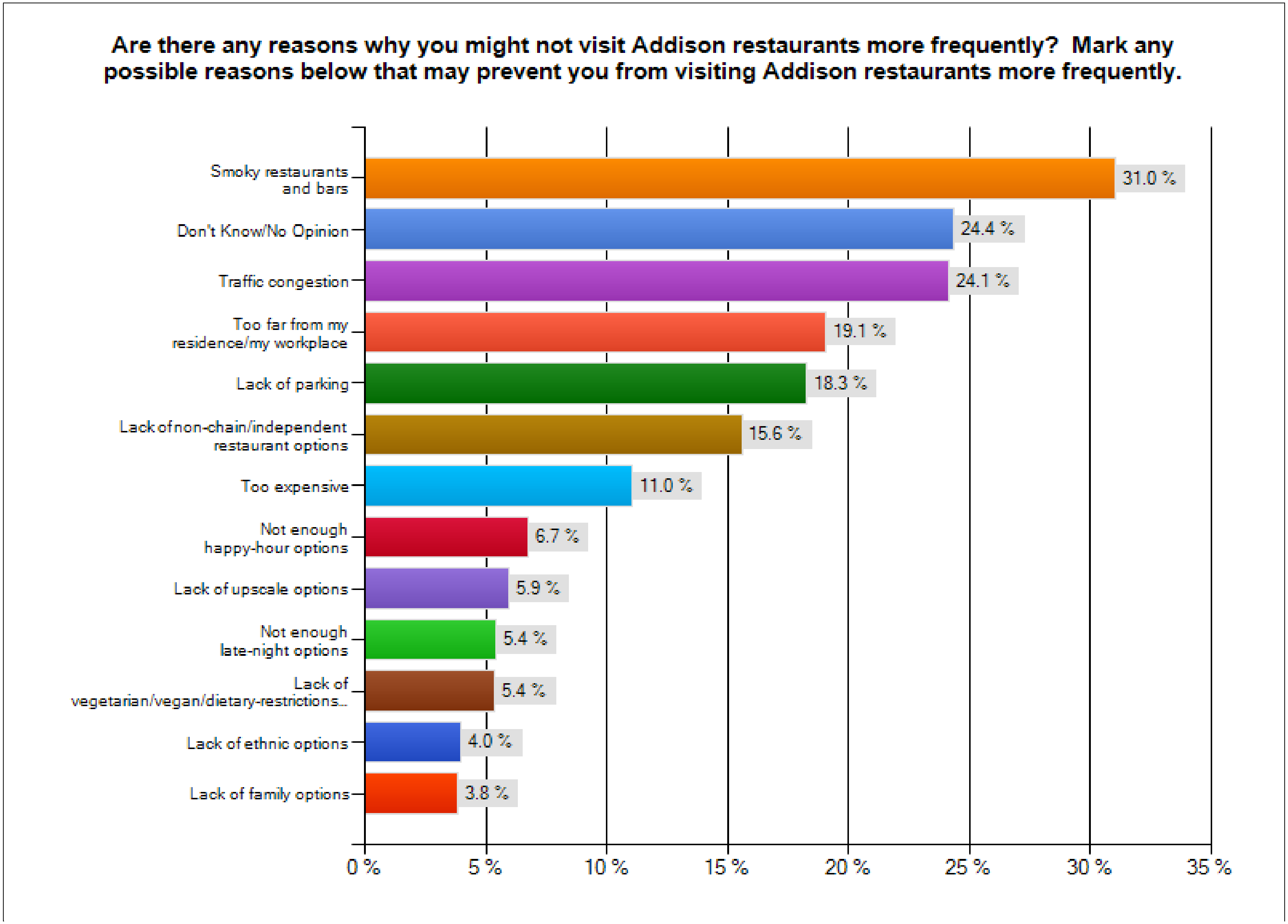
9. **Downtown Dallas**
    - Fewer chains; more independents

SUMMARY ANALYSIS:

Overall Addison is best known as having a wide choice and being convenient in regards to dining out. Unfortunately having variety and a wide choice is not a key differentiator. Many other areas are not only recognized for their variety and choices but also for having the other option of non-chain, independent restaurants.

Most concerning is probably the frustration with and complaints about the smoking policy in Addison.

Q. 25: REASONS FOR NOT VISITING ADDISION RESTAURANTS MORE FREQUENTLY



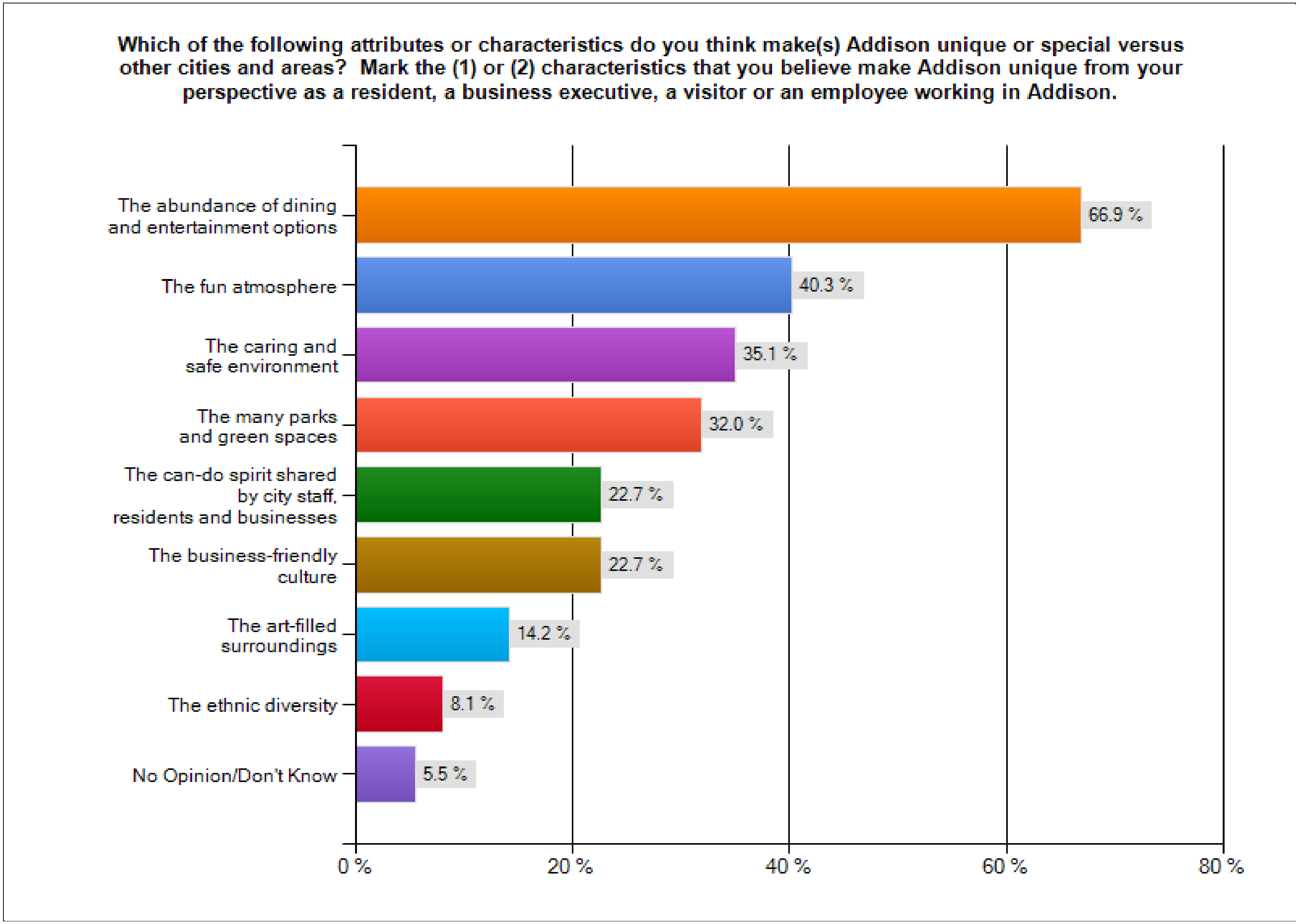
SUMMARY ANALYSIS:

The findings here basically confirm what we have already seen – the problem with the smoking situation, traffic congestion and lack of independent, non-chain restaurants.

Not concerning is the “too far” mention as we do draw from an extensive area and there are too many competitors within easy distance from a respondent’s home or workplace.

The “lack of parking” mention reiterates the same complaint which showed up in the Executives group and the Visitors group.

Q. 26: ADDISON POINTS OF DIFFERENTIATION



SUMMARY ANALYSIS:

As is always the case with different types of research there are limitations with each type. In the case of an online survey, which is quantitative, we are limited to the number of open-ended questions and responses we can use in order to obtain a wider range of input on a wider range of topics. Open-ended questions allow for a greater variety of responses from participants but are difficult to analyze statistically. Closed-ended questions are easy to analyze statistically, but they seriously limit the responses that participants can give.

Such is the case with the question above. We were required not only to make this a close-ended question but also to develop the options we felt were the most likely. There is always the possibility that we failed to include an important option. It is the reason that the stakeholders' interviews are important as they are a qualitative piece that can be analyzed within the results of this quantitative research.

Despite the limitations in this situation we did find further support for the key elements we've discovered so far which are, to a degree, differentiators for Addison:

- Restaurants/dining/entertainment options
- A sense of Fun
- Safe environment

"The Many Parks and Green Spaces" did receive a decent percentage (32.0%) but based on the fact that this was not given as a response by any group other than Residents in the survey (and for them of secondary importance) this may be more about the "Clean/Maintenance" piece that we have seen elsewhere.

"The Can-do Spirit" and "Business-friendly Culture" each received 22.7% but again neither of these came up significantly in the other findings.

The top open-ended responses, which only totaled 201included:

- The Athletic Club
- Special events
- Having a small-town atmosphere
- Smoking – comments both for and against

In general, however, the fact that less than 50% of respondents voted for any other comment except for the restaurants and entertainment piece means that very few of these have any real validity as a strong differentiator.

NET PROMOTER SCORE

The Net Promoter Score (or NPS) is based on the fundamental perspective that every company's customers can be divided into three categories: Promoters, Passives and Detractors. This is true for both private and public companies, for nonprofits, for governments, for metropolitan areas…basically any entity which has customers, constituents, voters, clients or supporters.

By asking one simple question – "How likely is it that you would recommend (the entity) to a friend or colleague?" – you can track these groups and get a clear measure of the entity's performance through its customers' eyes. Customers respond on a 0-to-10 point rating scale and are categorized as follows:

- **Promoters** (score 9-10) are loyal enthusiasts who will keep buying, supporting and favoring and will refer others, fueling growth
- **Passives** (score 7-8) are satisfied but unenthusiastic customers who are vulnerable to competitive offerings
- **Detractors** (score 0-6) are unhappy customers who can damage your brand and impede growth through negative word-of-mouth

To calculate an entity's NPS, take the percentage of customers who are Promoters and subtract the percentage who are Detractors. The resulting percentage can then be compared to others in an entity's industry. Many of the Fortune 500 companies are now using the system to help build loyalty and achieve growth. Companies highlighting the use of NPS come from many industries:

Airlines: JetBlue, Southwest, American, Delta	**Financial Services**: American Express, Vanguard, Charles Schwab
Technology: Dell, Canon, Sony, Intuit, Hewlett Packard	**Telecom**: T-Mobile, Verizon, Nokia, Virgin Media
Retail: Apple, Home Depot, Hertz, Cheesecake, Zale's	**Industrial Goods and Services**: GE, Honeywell, Alcoa, Kone

Industry Sector Average NPS®

Source: Satmetrix 2012 Net Promoter® Benchmark Study of U.S. Consumers

Industry Sector	Average	Industry Sector	Average
Airlines	28%	Drug Stores / Pharmacies	33%
Auto Insurance	35%	Grocery / Supermarkets	49%
Auto Service / Repair	20%	Hardware / Home Supply	48%
Banking	18%	Health Insurance	4%
Brokerage / Investments	40%	Homeowners Insurance	34%
Cable / Satellite TV Service	8%	Hotels	31%
Cellular Phone Service	24%	Internet Service	4%
Computer Hardware	30%	Life Insurance	9%
Computer Software	46%	Online Search / Information	37%
Credit Cards	13%	Online Shopping	53%
Department / Specialty Stores	56%	Travel Websites	19%

One can see how dramatically is the difference between industries and between companies when viewing the top performers in various industries.

NPS® Stars by Industry Sector

Source: Satmetrix 2012 Net Promoter® Benchmark Study of U.S. Consumers

Industry Sector	Company	NPS®
Airlines	Virgin America	66%
Auto Insurance	USAA	74%
Auto Service / Repair	Safelite AutoGlass	48%
Banking	USAA	83%
Brokerage / Investments	Scottrade	54%
Cable / Satellite TV Service	Verizon	37%
Cellular Phone Service	U.S. Cellular	38%
Computer Hardware	Apple	71%
Computer Software	Apple	68%
Credit Cards	American Express	43%
Department / Specialty Stores	Costco	71%

Industry Sector	Company	NPS®
Drug Stores / Pharmacies	Walmart Pharmacy	40%
Grocery / Supermarkets	Trader Joe's & Wegmans	73%
Hardware / Home Supply	Lowe's	54%
Health Insurance	Kaiser Permanente	33%
Homeowners Insurance	USAA	71%
Hotels	Marriott	56%
Internet Service	Verizon	18%
Life Insurance	State Farm	28%
Online Search / Information	Google	56%
Online Shopping	Amazon.com	76%
Travel Websites	TripAdvisor	33%

Although NPS is new to many industries and entities, such as city and state governments and non-profits, we are starting to see in-roads from these entities recognizing the importance of word-of-mouth to their success. Shelburne, Vermont (NPS of 39) and the Durham Performing Arts Center are two of the most recent to use NPS in their long range planning.

Q. 27: ADDISON'S NET PROMOTER SCORE - PLACE TO LIVE: How likely would you be to recommend the Town of Addison, as a GOOD PLACE TO LIVE, to friends, family or business associates? On a scale of 0 to 10 with 0 meaning "Not at all Likely" and 10 meaning "Extremely Likely" please rate below how likely you would be to recommend the Town of Addison as a GOOD PLACE TO LIVE.

	Not at all likely	1	2	3	4	5	6	7	8	9	Extremely likely	No Opinion
Likely to Recommend Addison to Live	0.9% (28)	0.4% (13)	0.8% (24)	1.1% (35)	1.6% (49)	4.9% (156)	5.7% (179)	12.9% (406)	14.8% (468)	9.8% (311)	**41.3% (1,306)**	5.8% (184)

To determine Addison's NPS score as a "Place to LIVE" we must add the percentages of the 9 & 10 scores and subtract the 0 through 6 scores:

Promoters: 51.1% minus Detractors: 15.4% = NPS Score of 35.7 (36)

Q. 28: ADDISON'S NET PROMOTER SCORE - PLACE TO VISIT: How likely would you be to recommend the Town of Addison, as a GOOD PLACE TO VISIT for shopping or for dining or for a fun event, to friends, family or business associates? On a scale of 0 to 10 with 0 meaning "Not at all Likely" and 10 meaning "Extremely Likely" please rate below how likely you would be to recommend the Town of Addison as a GOOD PLACE TO VISIT.

	Not at all likely	1	2	3	4	5	6	7	8	9	Extremely likely	No Opinion
Likely to recommend Addison to Visit.	0.2% (7)	0.2% (6)	0.4% (14)	0.9% (30)	0.9% (30)	2.9% (93)	4.8% (152)	9.8% (310)	15.4% (485)	12.5% (395)	**50.7% (1,603)**	1.1% (34)

To determine how Addison's NPS score as a "Place to VISIT" we must add the percentages of the 9 & 10 scores and subtract the 0 through 6 scores:

Promoters: 63.2% minus Detractors: 10.3% = NPS Score of 52.9 (53)

Although there are not enough NPS practitioners among metropolitan areas and governments at present to achieve an Industry Sector Average, based on all of the industries presently analyzed a score of 50 or higher is considered exceptional.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

SECTION I: DEMOGRAPHIC PROFILES, CENSUS DATA, TRADING AREA PROFILES

Town of Addison

In the last ten years the Town has seen a reduction in its population base, losing nearly 8% overall, and a 3.2% reduction in the number of households.

From the year 2000 to the census in 2010 we have seen a loss in Married couples and in Households with Children. We've gained in the number of Owner-occupied households but are still dramatically less than Dallas County and the U.S. as a whole. We are less ethnically-diverse than Dallas County but equal to the U.S. in terms of the Black/African-American race group and are more diverse than the U.S. in terms of Asians and Hispanics.

One of our bigger challenges is the concentration of our residents in the 24 to 34 age group. At 29.2% we are double that of Dallas County and the United States (13.3%). This Millennial Generation is best known for growing up with computers, an optimistic outlook and increased environmental awareness but also for moving back in with their parents when faced with the challenges of job search and affordable housing. We have a smaller percent than both Dallas County and the U.S. in the Baby Boom generation which holds 70% of the U.S. wealth, owns the most homes and drives the majority of dining out occasions.

Marketing Goal - Residents: convincing a more mature, more influential, more settled target audience that Addison is an attractive place to live

Challenges: present situation with the lack of schools and places of worship and the cost of living (young families); lack of independent, non-chain restaurants and interesting retail options (for baby boomers); traffic congestion (for all target audiences)

Respondent Demographic Profile

Our Respondents' demographic profiles vary from the demographic profiles of our Primary Trading Area in the following areas:

- Slightly higher percentage Female (61.1% vs. 51.1% in the PTA) (except for the Executives group – 64.6% Male)
- Higher percent White/Caucasian (82.2% vs. PTA's 71.3%); Lower percent Asian (6.7% vs. 11.3% PTA)
- Lower percentage Non-Hispanic (9.6% vs. 23.5% in the PTA – the greatest demographic difference)
- Slightly higher percentage Married: (55.6% vs. 47.9%) (Executives – 77.9% Married)
- Slightly higher percentage Without Children: (73.2% vs. 65.4% although this is driven higher by the 84.4% of the Resident group without Children)
- Way above average Education levels (69.1% versus the PTA of 52.6%)
- Respondents' Age: similar to the PTA except in the under 30 group (only draw 12.1% versus the PTA's 22.6%; and the Respondents' percentage in the 65-plus group is significantly impacted by the 18.4% of Residents who are 65 or older
- Average HH Income: our Respondents had higher percentages in the upper-income categories, lower percentages in the $50,000 or less categories

Marketing Goal - Visitors: obtaining higher percentages of penetration (Relative Draw Indices) into critical target demographic groups (dependent on overall target audiences' degree of importance: Asian, Hispanic, Families with Children, Under 30 crowd.)

Primary Trading Area:

Not only have we determined that our trading area is much greater than we had derived in 2000 but the boundaries have seen substantial changes due to huge shifts in population and on-going challenges and hurdles in our backyard.

By far the greatest impact was seen in the expansion of our draw area north of our own geographical boundaries driven by the growth in population in these areas:

- Plano increasing by 18.0% since 2000
- The Colony growing by 37.9% in population
- McKinney's growth was 143.0%
- Frisco saw an amazing 249.6% increase in its population.

The extension of the Dallas North Tollway along with the opening of two other major highways and turnpikes in this growing area (the George Bush Turnpike and the Sam Rayburn Tollway) enabled quicker access for these residents to visit, dine, shop and work in Addison.

A secondary impact on our draw area boundaries was driven by the loss of a major retail entity (Valley View Mall) in the 75240 zip code which in 2000 resulted in a good size overflow to Addison from those driving into the area from the 75230 and 75251 zip codes. We saw little if any draw from these two zips in 2013.

Another negative impact, albeit short-term but still significant, has been the on-going construction on the LBJ Freeway. We have seen a dramatic loss of residents living south of LBJ driven by their unwillingness to deal with the delays and frustration resulting from this construction. Our draw area south of LBJ has been greatly reduced in size and volume.

However, by far the greatest change in our marketplace from the year 2000 to today has been the change in the liquor laws throughout Dallas. In 2000 the average consumer who desired to have a glass of wine with dinner was forced to carry ten-plus club cards in his wallet to enjoy that privilege. If you lived south of LBJ back then your only option was to head north to Addison to purchase alcohol or enjoy a drink in a restaurant. It made the Beltline restaurant row a major lunch and dinner destination for consumers all over north Dallas plus a key economic driver for the wine and liquor stores. That is no longer the case. Today one can buy and enjoy an alcoholic beverage at any restaurant of their choosing. This change has been behind the huge growth in the number, type and caliber of restaurants now located in those zip codes that were once in our Primary Trading Area. Where there were once few restaurants in number along Forest, Preston and Royal there are now dozens of attractive options all the way down to Preston Center.

The challenge for us is two-fold. One, we've lost the clout of being the only game in town. And two, those consumers who once willingly drove north are now changing their purchase and dining habits due to their overwhelming desire to avoid the construction obstacle on LBJ. Unfortunately, once you've changed consumers habits, driving them south instead of north, it is very difficult to get them to change back to their old ways.

Marketing Goal: the areas north of Addison will be the key population gainers over the next ten years; target these areas with the majority of marketing dollars as the natural flow will continue to be south into the metropolitan area, stopping and/or passing Addison on the way

SECTION II: RESIDENTS SUMMARY

Profile:

The average length of residency among the Town of Addison citizen respondents is 7.8 years with the highest percent – 32.8% - having lived in Addison for more than ten years.

The highest percent of Respondents live in Single-family homes and an even higher percent Own their Residence versus Renting. This is somewhat unusual in that Addison is rated #51 on the list of the "Top 100 U.S. cities with the highest percentage of renters".

Likes about Living in Addison – Residents:
For Residents the top scores go to the elements/messages of:

- Safety
- City services/Maintenance
- and Location

When talking to present and prospective Residents these are the key messages that need to be communicated. In some cases they may not be as influential for a "prospective" resident seeking a home but they are the ones that Addison delivers on capably and consistently as believed by the current Resident base. This is the conversation our present Resident will have with the potential new homeowner looking at the house/apartment for sale or rent next door.

The second set of Likes are those messages which should be somewhere in the body of your message but are not headlines:

- Restaurants
- Special events
- Parks and Outdoor recreation

These are important and certainly should be a part of our message but they are just the icing on the cake.

A final category is the one in which we must avoid at all costs claiming anything in this category as an attribute. In the case of Addison it is the School situation (which may be of primary importance only to those which children) and the Cost of Living. We did not find a single group that considered Addison to have anything close to a competitive situation when it came to the cost of living.

In the open-ended responses by far the majority of "Likes" (26) was the mention of the Athletic/Fitness Center/Club/Gym. As this also came up in other areas of the survey our question is WHY? What makes it so different and is it a potential differentiator to a small degree?

Dislikes about Living in Addison – Residents:
By far, the top category and our major challenges are

- Traffic Congestion and
- the Cost of Living

Nearly 60% of respondents think that the traffic congestion is no worse in Addison than in other areas of Dallas. However, it still remains at the top of their list and they desire fervently that something could be done about it. In this type of situation our most optimal marketing approach is to face it square on and continually update target audiences on everything we are doing about the problem.

And once again we see the Cost of Living as a major concern.

Of the 182 open-ended responses the major mention areas of Dislikes were:

- Smoking in restaurants and bars
- Lack of options: grocery/drug stores; senior citizen complexes; recycling for apartment dwellers; affordable housing
- Taxes: rising tax rates and fees; property taxes; all taxes too high
- Lights: timing on traffic lights; configuration of traffic lights; street lighting

The 25% who report they have no complaints is laudable but is not unusual for consumers reporting on a product they have chosen, be it a car or a place to live.

Comparisons to other areas - among Residents:
We see the same areas of importance in the results from this question that we noted in the “Likes about Addison”:

- “Safety” (fire department, police department, and personal safety)
- “Cleanliness” (maintenance of the town)
- And, again, the icing on the cake “Restaurants” and “Special Events”. Once again, among Residents, these are strong points of differentiation

Our major challenge is, once again, that of the Cost of Living.

New to the discussion shown in this question’s results is the poor showing of Addison’s selection of retail stores. It does not appear as if our retail offerings are a key driver for visitation or a major reason for living in the area despite the proximity of Galleria Dallas.

SECTION III: EXECUTIVES SUMMARY

The Executive Group Profile – comprised of Owners, CEO’s, Presidents and Executives of Companies conducting business in the Town of Addison - had a greater percent Male respondents, skewed much more White/Caucasian and less Hispanic, were much more likely to be Married and have Children, were better Educated and had a much higher HH Income than respondents in any other group.

<u>Likes about Doing Business in Addison - Executives:</u>

We found that respondents in this category had similar responses to Residents when it came to their Likes about the Town of Addison but in a slightly different order in regards to importance. In the case of Executives doing business in the town, needing to show a good face to customers and clients, the priority of their reasons for Likes about the town were:

- Location (easy access for customers and clients – with the added bonus of being near my home)
- Safety
- Client entertainment (selection of restaurants) which was secondary for Residents but still important
- City services/maintenance (Cleanliness)

Of lesser importance but areas that should be included in any copy platform directed at the present and prospective member of this target audience are:

- On-going (re) development of the city and area
- Good location for finding/keeping employees

<u>Dislikes about Doing Business in Addison – Executives:</u>

It is not unusual when asking a businessman for any complaints he has that his initial responses are going to include the financial challenges he faces. What is unusual is the fact that there is one problem which the vast majority of respondents mention above the financial ones – “Traffic Congestion”. As we saw with the Residents this is a major hurdle in regards to both enjoying life in Addison and in regards to doing business in Addison.

The second major group of complaints after Traffic is the money one: “Lack of Financial Incentives” and the “Cost of Doing Business”. Money was also the key complaint in the open-ended comments especially about the *“$50 annual registration fee which is ridiculous”*.

“Inconsistent Electrical Service”, “Lack of Parking” and “Lack of Public Transportation” are issues these Executives see as directly impacting their ability to perform in their most effective manner. I would suspect the challenge Addison faces in addressing these issues is already something being discussed and analyzed.

Marketing Goal: In terms of marketing efforts it is critical that we continually communicate with this group and keep them updated on how exactly Addison is trying to solve these problems.

<u>Addison Services/Amenities rated by Executives:</u>

In terms of key differentiators we continue to see these two items over and over again as being Addison’s exceptional qualities:

- Cleanliness
- City Services (police, landscaping along with the fire department at a marginally good percentage)

In regards to those items that continue to negatively impact how we are perceived by target audiences, “Traffic Congestion” continues to be a sore spot.

The low score given by these Executives for being “Pedestrian-friendly” should be examined further as this area can be impacted as much by traffic congestion and lights as by the availability of sidewalks. This may also be driven by the fact that these Executives rated the Shops at Legacy extremely high later in this report with a good percentage talking about the “walkable” environment.

SECTION IV: VISITORS

Profile:

We included in our Visitor grouping those respondents who came to Addison to work, Employees, and those Visitors coming for multiple reasons that either came from within the DFW Metroplex or traveled in from outside the Metroplex.

Nearly 50% of respondents had visited Addison within the past 30 days (not including the Employees who come daily).

Primary Reason for Visitation - Visitors:

By far the greatest reasons for visiting Addison among these Respondents, the key drivers, are for

- “Dining” and “Evening Entertainment”. These drivers are the primary reason we see Addison being described as “fun” – something that was mentioned consistently by the Town’s stakeholders during the interviews.

Over 30% of respondents have been to at least one of Addison’s Special Events but among that number 40% of them have not been to Addison in four months or more. Special Events can and do drive visitation and are well-received but they should be a supporting character not the hero, which appears to be consistent with the views expressed in the Stakeholder interviews.

When we broke out the Employees group separate from the overall Visitors group we found that the “Work and Conducting Business” reasons obviously came in higher but Dining and Evening Entertainment continued to be top drivers. The same was true when we broke out All Other Visitors as a separate category. In all cases “Dining and Evening Entertainment” were the key drivers for visitation.

All Activities Undertaken on Different Visits – Visitors:

After asking about the Primary reason for visiting Addison, we asked all Visitors to list ALL of the activities undertaken on all of their trips. Over 80% Eat while they’re in Addison, nearly 50% have spent a Night Out at some point and 44% have done some Shopping although we can’t be positive about the type of shopping – buying a new pair of shoes or picking up something for dinner on the way home. Based on our overall findings a big piece of this 44% is more about convenience than destination shopping.

Opinions/Observations about the Town of Addison – Visitors:
The findings among Visitors reiterate the key points of differentiation we found throughout this study:

- Cleanliness of the Town
- Safety
- Restaurants, Nightlife, fun

The areas where we are Weakest have also shown up in the findings in other areas of this report and should not be considered strong points of differentiation:

- Parking
- Traffic Congestion
- Less than Desirable Shopping and Retail

The ratings for Special Events reaffirms that these are important but not key points of differentiation, simply an added bonus for the target audience.

The ratings for Addison restaurants given by Visitors raises some concern. Nearly 55% of these Respondents don't view Addison's restaurants as anything special. This is further confirmed elsewhere in this report when we see the high levels of visitation to other restaurant areas in the PTA by respondents. The high rating for "I can always find a restaurant I like in Addison" appears to be more about the sheer number of restaurants and the convenience/proximity of these to respondents' work and home.

SECTION V: ALL RESPONDENTS:
Visitation to Retail Areas:
In order of priority the retail areas most visited by our Respondents were: 1) Galleria Dallas (63.4%), 2) The Shops at Willow Bend (48.2%), 3) NorthPark Center (45.2%), 4) Village on the Parkway (43.3%), 5) The Shops at Legacy (42.3%) and 6) Stonebriar Center (33.0%).

In the past six months the total respondent base visited on average 4.1 different retail centers or areas. Five of the top six centers/areas are all located in Addison's Primary Trading Area. The third most visited center – NorthPark – was the only one of the top six centers not located in the PTA.

Despite the fact that Galleria Dallas received the greatest percentage of visitation, the loyalty to one super center or mall no longer exists as consumers have become much more demanding and more willing to visit numerous areas to find their favorite stores and shops.

Preferred Retail Area – Area Visited Most Frequently:

- Galleria Dallas: 526 respondents visit the Galleria most frequently
- The Shops at Willow Bend: 365 respondents favor Willow Bend
- NorthPark Center: 300 respondents listed NorthPark as their favorite
- The Shops at Legacy: 120 respondents visit the Shops at Legacy most often – a slightly greater number than the Village on the Parkway received despite the Village coming in ahead in the overall responses to Question 20
- Village on the Parkway: 102 respondents visit here most frequently
- Stonebriar Centre: 79 respondents shop Stonebriar more frequently

Many of the responses did not even mention a specific center or area but instead listed reasons for visiting an un-named one. Of all of the reasons listed, two responses clearly were key drivers for visitation to nearly all of the centers and areas listed. Almost all of the centers and areas mentioned included these two top reasons among the reasons for visitation.

- **Convenience**: 820 responses ("close to home", "close to work", "convenient to home", "close to where I live", "next to where I work")
- **Favorite Stores/Shops**: 693 responses ("has my favorite department store", "has my favorite stores/shops", "has the shops I like")

Key Reasons for Visitation to Preferred Center:

When we looked at the key reasons for visitation to their favored choice, we found varying reasons for visitation to specific centers and areas. In all cases "Convenience" and "Has by Favorite stores/shops" were also listed.

1. **Galleria Dallas:**
    - Lots of stores/choices/shops: "one stop shopping", "every store you want in one place", "lots of stores", "has the most stores"
    - Widest Variety of stores/shops: "has everything you want", "best variety and choices of stores", "many different options"
2. **The Shops at Willow Bend:**
    - Has Specific and Favorite stores/shops: "has the stores I like", "has Neiman's", "has Apple store and Anthropologie", "has my favorite stores"
    - Ease of Parking: "parking is never crowded", "easy to park there", "no hassle parking"
3. **NorthPark Center:**
    - Has Favorite/Best stores: "has the best stores", "has stores I like", "has stores not available elsewhere", "my favorite stores"
    - Upscale stores/Environment: "more upscale than others", "has better quality selection", "nicer place to shop", "upscale environment"
4. **The Shops at Legacy:**
    - Great Atmosphere/ambiance: "has beautiful scenery/atmosphere", "it's like urban living", "pedestrian-friendly", "cool, hip"
    - Non-smoking: "it's like Addison without the smoke", "restaurants are non-smoking"
    - Restaurant choices: "has restaurants and bars Addison lacks", "neat choice of restaurants", "best restaurants"
5. **Village on the Parkway:**
    - Convenient: "close to home", "close to work"
    - Restaurants: "more for dining than for shopping", "good lunch choices", "nice restaurant options"
6. **Stonebriar Centre:**
    - Convenient: "close to home", "nearby", "it's convenient"
    - Parking: "has lots of parking"

Two major points to note here are the concentration of restaurant comments in regards to the Shops at Legacy…particularly the non-smoking comments versus Addison…and the concentration of restaurant comments for Village on the Parkway. It is unusual for so many restaurant comments to surface when respondents are being asked specifically about retail.

The Shops at Legacy appear to be driven more by the interesting ambiance and atypical restaurants while Village on the Parkway appears to be more driven by convenience.

Galleria Dallas has the clout of having so many stores and offering huge variety while the Shops at Willow Bend wins in terms of offering our target audiences the unique, favored stores they seek.

Marketing Discussion: at present the Town's messages that include its proximity to Galleria Dallas is probably the most viable one.

Dining Out Frequency; Visitation to Varying Restaurant Areas:

Our Respondent base dines out on average 3.25 times per week (13 times per month). This is slightly less than the average American consumer who dines on average 4.8 times per week (19.2 times per month). Lunch is the most popular dining out occasion with an incidence among consumers of 2.6 times per week.

Among our Respondent base the restaurants on Beltline Road (81.3%) and Other Areas of Addison (45.4%) are by far the primary dining out destinations. Convenience plays the biggest part in this choice.

Our Executives and Visitors have the most non-Addison visitation, exploring farther out and more often to the other restaurant areas mentioned.

Overall, our respondent base has visited more than three of these restaurant areas in the past three months.

Restaurant Area Visited Most Frequently:

In the Open-ended Responses all of the listed restaurant areas were mentioned by Respondents with the top areas being:

- Beltline Road in Addison: 666 respondents visit the restaurants on Beltline Road most frequently
- Other Addison area restaurants: 105 respondents favored restaurants elsewhere in Addison
- Shops/Restaurants at Legacy: 96 respondents listed the Legacy restaurant area as their favorite
- North Texas area (Prkwy, Carrollton): 95 respondents visit the restaurants in this area most often

Many of the responses did not mention a specific area but instead listed reasons for visiting a specific restaurant or two most often. These responses were most often tied to one of three reasons:

- It has Good Food: 131 responses with varying restaurants mentioned
- It has Great Food: 152 responses with varying restaurants mentioned
- It has a Good/Great Happy Hour: 142 responses with varying restaurants mentioned

The top restaurants mentioned included: Blue Goose, Flying Saucer, Taco Diner, Olive Garden, Thai Star, Blue Mesa and Flying Fish.

Of all of the reasons listed, Convenience was clearly a key driver for visitation to all of the restaurants and areas listed.

Key Reasons for Visitation to Preferred Restaurant Area:

1. **Beltline Road in Addison:**
   - Convenience: "close to home", "close to my work", "closest options for lunch", "convenient"
   - Variety: "lots of choices", "multiple cuisine choices", "wide variety of restaurants"
2. **Other Addison Area Restaurants:**
   - Convenience: "close to my business for lunches", "close to home"
   - Variety: "wide assortment in Addison", "lots of variety around", "can find different types of restaurants nearby"
3. **Shops/Restaurants at Legacy:**
   - Contemporary/Independent Restaurants: "chef-driven concepts", "hip restaurants", "independent, non-chain restaurants"
   - Walkable area: "can walk from place to place", "easy to walk around", "no driving to get from one to the other"
   - Nice Atmosphere: "love the overall vibe", "great atmosphere", "cool outside dining"
4. **North Dallas Area (Parkway, Carrollton, Frankford):**
   - Convenience: "nearby", "close to home", "close to work"
   - Non-smoking: "restaurants are non-smoking"
   - More Independents: "more locally-owned restaurants", "good selection of Mom and Pops", "more independents"
5. **Uptown Dallas:**
   - Independent, chef-owned restaurants *("friends and family generally decide against dining in Addison because of the chain restaurants"*)
   - Can walk to many places
   - Non-smoking
6. **Frisco**
   a. Lots of choices; many restaurants; great variety
   b. Convenience
   c. Non-smoking
7. **Richardson/Garland**
   a. Good ethnic choices; great Chinese
   b. Convenience

8. **Knox/Henderson**
    a. Non-chain independent restaurants
    b. Non-smoking
    c. Patios
9. **Downtown Dallas**
    a. Fewer chains; more independents

Overall Addison is best known as having a wide choice and being convenient in regards to dining out. Unfortunately having variety and a wide choice is not a key differentiator. Obviously this is not a poor position to be in but with the rapid growth of restaurant choices on all sides of our trading area it may become more and more difficult to sustain these levels of visitation. As the Galleria has been impacted by the opening of new retail options in its trading area, so too will Addison be impacted by the opening of new dining options both within and on the borders of its PTA.

Most concerning is probably the frustration with and complaints about the smoking policy in Addison.

Reasons for Not Visiting Addison Restaurants More Frequently:

The findings here basically confirmed what we had already seen – the problems and complaints with

- Smoky restaurants and bars (31.0%)
- Traffic congestion (24.1%)
- and Lack of Independent, Non-chain Restaurants (15.6%)

Not concerning is the “too far” mention (19.1%) as we do draw from an extensive area and there are too many competitors within easy distance from a respondent’s home or workplace.

The “lack of parking” mention (18.3%) was reiterated by both the Executives group and the Visitors group.

Addison Points of Differentiation:

As is always the case with different types of research there are limitations with each type. In the case of an online survey, which is quantitative, we are limited to the number of open-ended questions and responses we can use in order to obtain a wider range of input on a wider range of topics. Open-ended questions allow for a greater variety of responses from participants but are difficult to analyze statistically. Closed-ended questions are easy to analyze statistically, but they seriously limit the responses that participants can give.

When we asked about Addison's Points of differentiation we were required not only to make this a close-ended question but also to develop the options we felt were the most likely. There is always the possibility that we might to include an important option. It is the reason that the stakeholders' interviews are important as they are a qualitative piece that can be analyzed within the results of this quantitative research.

Despite the limitations in this situation we did find further support for the key elements we've discovered so far which are, to a degree, differentiators for Addison:

- Restaurants/Dining/Entertainment options (66.9%) is the key driver for the "fun" (40.3%)
- Caring and Safe environment (35.1%)

"The Many Parks and Green Spaces" did receive a decent percentage (32.0%) but based on the fact that this was not given as a response by any group other than Residents in the survey (and for them of secondary importance) this may be more about the "Clean/Maintenance" piece that we have seen elsewhere.

"The Can-do Spirit" and "Business-friendly Culture" each received 22.7% but again neither of these came up significantly in the other findings.

The top open-ended responses, which only totaled 201included:

- The Athletic Club
- Special events
- Having a small-town atmosphere
- Smoking – comments both for and against

In general, however, the fact that less than 50% of respondents voted for any other comment except for the restaurants and entertainment piece means that very few of these have any real validity as a strong differentiator.

Net Promoter Score:

The Net Promoter Score (or NPS) is based on the fundamental perspective that every company's customers can be divided into three categories: Promoters, Passives and Detractors. This is true for both private and public companies, for nonprofits, for governments, for metropolitan areas…basically any entity which has customers, constituents, voters, clients or supporters.

By asking one simple question – "How likely is it that you would recommend (the entity) to a friend or colleague?" – you can track these groups and get a clear measure of the entity's performance through its customers' eyes. Customers respond on a 0-to-10 point rating scale and are categorized as follows:

- **Promoters** (score 9-10) are loyal enthusiasts who will keep buying, supporting and favoring and will refer others, fueling growth
- **Passives** (score 7-8) are satisfied but unenthusiastic customers who are vulnerable to competitive offerings
- **Detractors** (score 0-6) are unhappy customers who can damage your brand and impede growth through negative word-of-mouth

To calculate an entity's NPS, we take the percentage of customers who are Promoters and subtract the percentage who are Detractors. The resulting percentage can then be compared to others in an entity's industry.

In response to the question "How likely would you be to recommend Addison as a place to Live" the results were:

Promoters: 51.1% minus Detractors: 15.4% = NPS Score of 35.7 (36)

In response to the question "How likely would you be to recommend Addison as a place to Visit?" the results were:

Promoters: 63.2% minus Detractors: 10.3% = NPS Score of 52.9 (53)

Although there are not enough NPS practitioners among metropolitan areas and governments at present to achieve an Industry Sector Average, based on all of the industries presently analyzed a score of 50 or higher is considered exceptional.

Overall Marketing Summations:

Addison's Core Competencies – "what are we good at, better than anyone else?"

1) As seen by Residents:
    - "keeping me safe"
    - "providing a clean, well-maintained environment in which to live"
2) As seen by Executives doing business in Addison:
    - "keeping the area safe for me, my employees and my clients/customers"
    - "providing a clean, well-maintained environment in which to do business"
3) As seen by Employees:
    - "good, clean environment to work in"
    - "safe city to come to and work in"
4) As seen by Visitors:
    - "it's clean, well-maintained"
    - "it's safe"

Addison's Major Hurdles/Obstacles:

1) According to Residents:
   - Cost of living
   - Lack of schools
   - Poor retail choices
2) According to Executives:
   - Traffic congestion
   - Cost of doing business ($50 annual registration fee main individual complaint)
   - Lack of financial incentives
   - Lack of parking
3) According to Employees:
   - Traffic congestion
   - Lack of parking
4) According to Visitors:
   - Traffic congestion
   - Poor retail choices
   - Lack of parking

Major Likes about Addison:

1) For Residents:
   - Location
   - Restaurant variety
   - Special events
   - Parks and outdoor recreation
2) For Executives:
   - Location
   - Restaurants for client entertainment
   - City services
3) For Employees and Visitors:
   - Restaurants
   - Night-life/entertainment options
   - It's fun

Major Dislikes about Addison:

1) For Residents
    a. Traffic congestion
    b. Smoking in restaurants
    c. Poor retail choices
2) For Executives:
    a. Traffic congestion
    b. Lack of parking
    c. Restaurant choices not very interesting
3) Employees and Visitors:
    a. Restaurants are okay but not enough non-chain, independent, chef-driven options
    b. Smoking in restaurants
    c. Traffic congestion

Overall Key Differentiators among All Groups:

1) Amount and variety of restaurants and nightlife/entertainment options
2) "It's fun"
3) "It's safe"
4) "It's clean"

The **Challenges** for the marketing and advertising teams now are:

1) How to make the most of our key differentiator – number of restaurants and entertainment options – when the number of alternative choices within our PTA has greatly expanded and in many cases are much more attractive due to non-chain options.
2) How to make "clean" and "safe" intriguing, sexy and inviting to target audiences other than Residents; can they be a "call to action", a "reason to visit"?
3) How to define "fun" beyond the word itself for the different audiences.

Council Agenda Item: #WS2

AGENDA CAPTION:

Presentation, discussion, and consideration of approval of a proposed budget for the Town of Addison 60th Anniversary celebration.

FINANCIAL IMPACT:

To be provided.

BACKGROUND:

The Town of Addison will celebrate its 60th anniversary of incorporation on June 15, 2013. To commemorate this special event in the Town's history, several Addison residents and businesses representatives have served on five key committees that focus The proposed projects and events require that a budget is developed in order to determine how much financial assistance is needed and where funding and donation efforts will need to be focused.

RECOMMENDATION:

COUNCIL GOALS:

Create raving fans of the Addison Experience, Mindful Stewardship of Town Resources, Brand Protection and Enhancement, Enhance sense of community for all stakeholders/Expand Volunteer Opportunities

ATTACHMENTS:

Description:	Type:
No Attachments Available	

Council Agenda Item: #WS1

AGENDA CAPTION:

Closed (executive) session of the City Council, pursuant to Section 551.087, Texas Government Code, to discuss or deliberate regarding commercial or financial information that the City Council has received from a business prospect or business prospects that the City Council seeks to have locate, stay, or expand in or near the territory of the Town of Addison and with which the City Council is conducting economic development negotiations, and/or to deliberate the offer of a financial or other incentive to such business prospect or business prospects.

FINANCIAL IMPACT:

N/A

BACKGROUND:

N/A

RECOMMENDATION:

N/A

COUNCIL GOALS:

Raise Property Values, Attract new businesses to Addison

ATTACHMENTS:

Description:	Type:
No Attachments Available	